



NEBRASKA LICENSE LAW

Participation Guide

Nebraska License Law

Introduction

In 2015, NREC (Nebraska Real Estate Commission) identified a need to rebuild course instruction for its real estate population in the area of Real Estate License Law.

This course has been developed as a 30 hour Pre-License Course, with 10 different modules that can be split into CE (continued education) for Nebraska Licensed Real Estate Professionals.

Any suggestions are welcomed on how to enhance the learners experience and should be directed to Mari Jo Mentzer, Instructional Designer Real Estate Kinetics at marijomentzer@gmail.com.

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MODULE 1

GETTING YOUR NEBRASKA REAL ESTATE LICENSE



1. GETTING YOUR NEBRASKA REAL ESTATE LICENSE

License Law

- Definition of license and License Law

Governing Powers

- ARELLO, NAR, NREC, and NRA

Real Estate Licensee Information

YOU WILL NEED: A copy of the NEBRASKA REAL ESTATE LICENSE ACT and THE NEBRASKA CANDIDATE HANDBOOK. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES

LICENSE :

LICENSE LAWS :



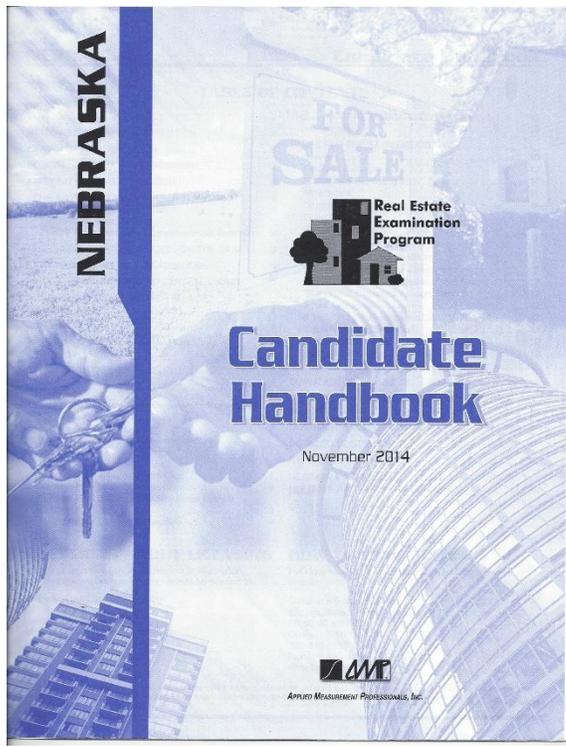
ARELLO®





WHERE DO I FIND TESTING INFORMATION???

- Go to www.goAMP.com to schedule an Exam after your name has been released by NREC.
- Or call AMP (Applied Measurement Professionals, Inc.) at 800-345-6559 from 7:00 am to 9:00 pm (Central Time) Monday through Thursday, 7:00 am to 7:00 pm on Friday and 8:30 am to 5:00 pm on Saturday.
- This information is found on page 2 of the Nebraska Candidate Handbook.



NOTES:

Attachment 1A

Assessment Quiz

True or False

- _____ 1. The law of brokerage is a combination of the statute of frauds and the law of equity.
- _____ 2. A broker's employment contract with a salesperson must be in writing.
- _____ 3. A licensed broker may divide his/her commission with an unlicensed attorney, who cooperated in making the sale.
- _____ 4. The salesperson who leaves a broker may take all of his/her listings to his/her new broker.
- _____ 5. A licensed salesperson may divide his/her commissions with another licensed salesperson with his/her broker's consent.
- _____ 6. The principle in a listing contract is the seller.
- _____ 7. The NREC (Nebraska Real Estate Commission) has authority to fix 6 percent as the rate of commission on real estate.
- _____ 8. "Earnest Money" is the commission which a broker receives in the deal.
- _____ 9. "REALTOR" is the term used by a broker after he successfully negotiates a deal.
- _____ 10. A broker may pay compensation only to his own salespeople and another broker.
- _____ 11. A listing contract is ended if the salesperson, who obtained the listing, dies.
- _____ 12. A Real Estate Board in a metropolitan area can fix the commission rate for its members to charge.
- _____ 13. It is unlawful for a salesperson to receive a commission from anyone other than the broker to which he/she is licensed.
- _____ 14. A salesperson should advertise the sale of real estate in his/her name only.
- _____ 15. The law obligates every agent to act in and for the best interest of his/her client.

Attachment 1A

Assessment Quiz

Multiple Choice

1. A salesperson receiving a deposit should:
 - a. Place it in his/her "special account."
 - b. Place it in his/her broker's general account.
 - c. Turn it over to his/her broker.
 - d. Place it in the salesperson's trust account.

2. Upon the death of a broker, his/her listings may be taken over by:
 - a. His widow.
 - b. His son, who is of lawful age.
 - c. A trust company.
 - d. None of these.

3. The first step necessary for licensed broker to recover a commission is to:
 - a. Find a buyer.
 - b. Find a seller.
 - c. Have a contract of employment.
 - d. Advertise the property for sale.

4. When a broker and a salesperson have a dispute over commission from a deal, they should:
 - a. Complain to the owner.
 - b. Bring action in court.
 - c. File a complaint to the NREC.
 - d. Compel arbitration.

5. The broker's fiduciary relationship with his principal requires that:
 - a. He/she act as a responsible and prudent person.
 - b. He/she discuss all angles of each deal with his/her salespersons.
 - c. He/she act in the highest and best interest of his/her client.
 - d. He/she act commensurate with his compensation.

Attachment 1B



**“HOW TO CHOOSE A
REAL ESTATE
COMPANY FOR WHICH
TO WORK?”**

What’s important to you?

- ✓ _____
- ✓ _____
- ✓ _____
- ✓ _____
- ✓ _____

Attachment 1B

Developing Interview Questions?

- **Do you provide training?**
- **Do you have a mentor program where I can shadow an experienced agent for a period of time?**
- **At what commission split will I begin?**
- **What costs will I incur? Initial: Licensing, application, business cards, photo, name badge, dues, etc.**
- **Please show me the examples of marketing materials available to me.**
- **Is there a dress code?**

1) Based on the video what are some other questions you may want to ask a broker before making a decision?

2) Based on the video what other questions should you ask yourself before interviewing with a brokerage?

DEVELOPING A BUSINESS PLAN;

- What does working as an independent contractor mean to you?
- Do you have a business plan in place?
- Have you been in business before?
- What worked?
- What didn't?
- What would you do differently?
- What advice would you share with your peers?

For FREE business plan information go to www.sba.org.

MODULE 2

NEBRASKA FAIR HOUSING, Part 1



2. NEBRASKA FAIR HOUSING ACT,

Part 1

Fair Housing in Today's World

- Introduction to Fair Housing practices in Real Estate.

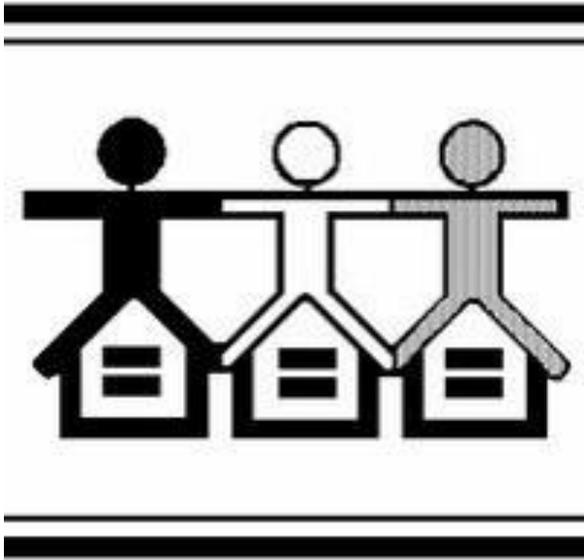
The Fair Housing Act

- Students should be able to interpret the basic concepts of the Fair Housing Act in Nebraska.

Learn Key Terms

YOU WILL NEED: A copy of the **NEBRASKA REAL ESTATE LICENSE ACT** and **NEBRASKA FAIR HOUSING ACT**. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES



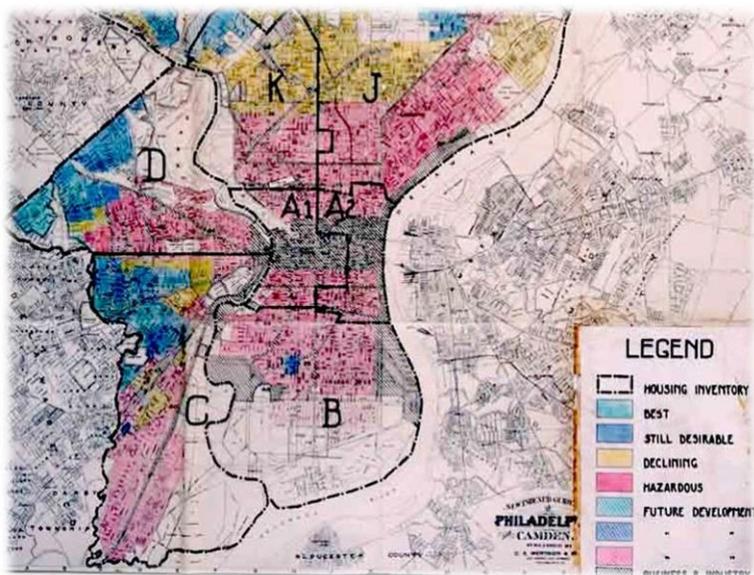
“Matter of Place”

What words may have indicated discrimination in this movie?

What would you do if you were alone at your first listing appointment and the seller made this off-the-cuff remark, “I don’t want you to sell my home to an Hispanic family?”

Discrimination:

Redlining:



Blockbusting:



HUD:

The Fair Housing Act is a law enacted as part of civil rights legislation that prohibits discrimination of home sales, rentals, and financing based on race, color, national origin, religion, sex, familial status or those with disabilities.

www.google.com

What is the FAIR HOUSING ACT?



Fair Housing Act 1968:

Protected: _____

NOTES:

NEBRASKA Fair Housing Act

NE Fair Housing Act; Article 3; Housing; 20-302. Civil Rights; policy of state. *It is the policy of the State of Nebraska that there shall be no discrimination in the acquisition, ownership, possession or enjoyment of housing throughout the State of Nebraska in accordance with Article 1, Section 25, of the Constitution of Nebraska.*



Fair Housing Act 1974:

Protected: _____

Fair Housing Act 1988:

Protected: _____



NE Fair Housing Act; Article 3, Housing; 20-318. Unlawful acts enumerated. Except as exempted by Section 20-322 it shall be unlawful to:

(1) Refuse to sell or rent after making a bona fide offer, refuse to negotiate for the sale or rent of or otherwise make unavailable or deny, refuse to show, or to receive... (20-318 through 20-322.)

NEBRASKA Fair Housing Act

WORK SPACE:

SPEED QUESTIONS

- 1) The law that prohibits all racial discrimination in housing is;
 - a. Civil Rights Act of 1866.
 - b. Civil Rights Act of 1964.
 - c. Civil Rights Act of 1968.
 - d. Fair Housing Amendments Act of 1988.

- 2) What federal agency on a national basis is responsible for handling fair housing complaints?
 - a. Department of Human Rights
 - b. HUD
 - c. FHA
 - d. Attorney General's Office

- 3) A property manager did not want to rent to a gay couple after they had given him deposit, first month's rent and passed a credit check. He told the couple that he had made a mistake and the apartment had already been rented by another property manager, when in fact it had not. This is an illegal practice according to;
 - a. NE Fair Housing Act; Article 3.
 - b. Civil Rights Act of 1866
 - c. Civil Rights Act of 1968.
 - d. VA

- 4) The Fair Housing Act prohibits discrimination of home sales, rentals and financing based on;
 - a. Race, color, religion, and familial status.
 - b. Race, color, national origin, religion, familial status or those with disabilities.
 - c. Race, color, national origin, religion, sex, familial status or those with disabilities.
 - d. None of the above.

- 5) What was a business practice of real estate agents and building developers to convince white property owners to sell their homes at low prices out of fear that persons of color would soon move into the neighborhood and depreciate property values?
 - a. Steering
 - b. Redlining
 - c. Block Busting
 - d. Discrimination

MODULE 3

NEBRASKA FAIR HOUSING ACT, Part 2



3. NEBRASKA FAIR HOUSING ACT,

Part 2

Fair Housing in Today's World

- Housing problems we face today.

NREC Role

- Discover what roles NREC plays in Nebraska Fair Housing.

HUD Advertising

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OBJECTIVES

FAIR HOUSING IN TODAY'S WORLD

In today's real estate industry, fair housing laws are still being contested and challenged. What do we see happening in Nebraska?



In 2014 Fremont, NE made National News Headlines because of their desire to restrict housing to illegal immigrants.

ATTACHMENT, 3A

Fremont, Nebraska to Keep Undocumented Immigration Rules

AP | By JOSH FUNK

Posted: 02/12/2014 9:59 am EST Updated: 02/12/2014 9:59 am EST

FREMONT, Neb. (AP) — Residents of a small Nebraska city have reaffirmed their desire to take on illegal immigration.

Nearly 60 percent of Fremont voters decided Tuesday to keep an ordinance that requires all renters to swear they have legal permission to live in the U.S.

Voters first approved the rules by a smaller margin in 2010. Critics pushed for the new vote, saying the housing restrictions would be ineffective and might cost Fremont millions of dollars in legal fees and lost federal grants. They also said it was hurting the city's image.

But it wasn't enough to sway voters in the conservative agricultural hub near Omaha.

Fremont is one of only a handful of cities trying to restrict illegal immigration and, like those other cities, has found itself mired in court fights because of the regulations. City leaders put the ordinance on hold after the 2010 vote while courts reviewed it.

Now, some supporters are questioning whether city leaders will implement the ordinance, which was mostly upheld by the 8th U.S. Circuit Court of Appeals last year. The city of 26,000 residents was getting ready to enforce the housing restrictions for the first time last fall when elected officials decided to schedule another vote.

"The mayor and city council need to listen to the people," said John Wiegert, who helped organize the petition drive that put the ordinance on the 2010 ballot. "The people have spoken twice."

Fremont resident Matt Kwiatkowski, who voted to keep the housing restrictions, said he doesn't have any problems with immigrants who legally come to the U.S., but he doesn't think the country should go easy on people living here illegally. He hopes Fremont's ordinance will help increase pressure on the federal government to do something about illegal immigration.

"I think more towns need to do this given that the federal government isn't doing its job," Kwiatkowski said.

Civil rights groups, which could still derail the ordinance by taking their challenge to the U.S. Supreme Court, said they would closely monitor Fremont's implementation of the rules.

"We are saddened by the result of today's vote, and will stand with those residents of Fremont who will be harmed by the unfortunate decision to allow a discriminatory housing ordinance to be implemented," Amy Miller, legal director of the American Civil Liberties Union of Nebraska, said Tuesday night.

The housing rules require anyone who rents a home or apartment to apply for a \$5 permit and attest to their legal status, but there is no mandate to show proof. New permits are needed for every move, and landlords are required to make sure their tenants have permits or face a \$100 fine.

It's not clear how many people live in Fremont illegally. Census figures show 1,150 noncitizens live in the town, including immigrants who don't have permission to be in the U.S. and lawful permanent residents, foreign students and refugees who are legally in the country.

Supporters insist the measure does not target Hispanics, but the topic can make for awkward conversation given Fremont's growing immigrant population. The number of Hispanics jumped from 165 in 1990 to 1,085 in 2000 and 3,149 in 2010, mostly because of jobs at the nearby Hormel and Fremont Beef plants.

When Fremont first adopted the ordinance, the city was thrust into the national spotlight partly because it acted shortly after Arizona's strict immigration law made headlines. A few other cities, such as Valley Park in Missouri, have modified or abandoned ordinances in the face of court challenges and dissent.

In Congress, similar issues have halted immigration reform. A Senate-passed bill appears to be dead in the House, where conservatives cite a changing series of reasons for not wanting to act. House Speaker John Boehner has all but ruled out passage of immigration legislation before the fall elections.

A provision in the ordinance that wasn't up for consideration in Tuesday's vote requires employers to use a federal online system to check whether prospective employees are permitted to work in the U.S. That part of the law has been in place since 2012, and larger employers were already using it.

**Answer the following questions based on the article
“Fremont, Nebraska to Keep Undocumented Immigration
Rules.”**

- 1. Did the City of Fremont, NE employ a discriminatory housing practice when they enacted this ordinance?**



2. If the Fair Housing Act of 1968 prohibited discrimination on the basis of race, color, religion, sex and national origin why would this new ordinance be exempt from the Fair Housing ACT?



July 13, 2012 Fremont, Ne Ordinance Approval LC Mtg



3. Based on the information in this article, do you project more communities in Nebraska will enact similar city ordinances in the future?

What is NREC’s role in Fair Housing?

How do you file a complaint with NREC when a discriminatory act has occurred?



Thinking Problem;

Kayla and Juan, college professors, owned a home situated close to the water on the Platte River which they enjoyed during the summer months when school was not in session. The other nine months of the year they contracted with Roger, a licensed property manager, to find a suitable couple who would rent it out.

Julie and Sam, with their 5 kids, who had excellent credit and referrals, tried to rent the property. However, based on safety fears regarding the children being so close to the water, their application was rejected. Based on familial status, Julie and Sam filed a complaint with the NREC.



1. Did a discriminatory act occur?

2. Can Julie and Sam file a complaint with the NREC? If so, against whom?

3. If Kayla and Juan had not hired Roger to represent them, would they have been exempt from the fair housing Act?

Section 804(C) of the Fair Housing Act

It is unlawful "to make, print, or publish, or cause to be made, printed, or published any notice, statement, or preference, limitation or discrimination because of race, religion, sex, handicap, familial status, or national origin, or an intention to make such preference, limitation, or discrimination."

Applies to ALL advertising media, including;

- ✓ _____
- ✓ _____
- ✓ _____
- ✓ _____
- ✓ _____

DATES TO REMEMBER,

1989

- HUD published advertising guidelines,

1995

- additional guidelines were published.



4. If Kayla and Juan had not hired Roger to represent them, would they have been exempt from the Fair Housing Act?



U. S. Department of Housing and Urban Development 



EQUAL HOUSING OPPORTUNITY
We Do Business in Accordance With the Federal Fair Housing Law
(The Fair Housing Amendments Act of 1988)

It is illegal to Discriminate Against Any Person Because of Race, Color, Religion, Sex, Handicap, Familial Status, or National Origin

- In the sale or rental of housing or residential lots
- In the provision of real estate brokerage services
- In advertising the sale or rental of housing
- In the appraisal of housing
- In the financing of housing
- Blockbusting is also illegal

Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination:
1-800-669-9777 (Toll Free)
1-800-927-9275 (TTY)
www.hud.gov/fairhousing

U.S. Department of Housing and Urban Development
Assistant Secretary for Fair Housing and Equal Opportunity
Washington, D.C. 20410

Previous editions are obsolete. form HUD-928.1 (6/2011)

Where MUST the Equal Housing Opportunity Logo and this poster be displayed?

Attachment 3A

FAIR HOUSING ADVERTISING

WORD AND PHRASE QUIZ

Below is a list of words and phrases that are sometimes used by Real Estate Professionals in advertising. Mark which words you think are not acceptable, should be used with caution, or are considered acceptable in complying with state and federal housing laws.

NA to indicate **Not Acceptable**

C to indicate words that should be used with **Caution**.

A to indicate the words are **Acceptable**.

_____	Able-bodied	_____	Chinese
_____	active	_____	Children, no
_____	adult living	_____	church (es), near
_____	adults only	_____	close to
_____	African	_____	college students
_____	agile	_____	colored
_____	alcoholics, no	_____	couple
_____	Asian	_____	couples only
_____	bachelor	_____	country club near
_____	blacks, no	_____	credit check required
_____	blind, no	_____	crippled, no
_____	board approved required		
_____	bus/MAX, near	_____	fisherman's retreat
_____	Catholic	_____	fixer-upper
_____	Caucasian	_____	gays, no
_____	Chicano	_____	Indian

_____ deaf, no	_____ Irish
_____ den	_____ Integrated
_____ desirable, neighborhood	_____ Jewish
_____ drinkers, no	_____ landlord, (description of)
_____ drugs, no	_____ Latino
_____ drug users, no	_____ lesbians, no
_____ employees, no	_____ luxury townhouse
_____ (gender)	_____ male(s) only
_____ grandma's house	_____ male roommate
_____ gentleman's farm	_____ man (men) only
_____ empty nesters	_____ married
_____ Equal Opportunity Employer, EOE	_____ mature
_____ (ethnic references)	_____ mature couple
_____ exclusive	_____ mature individuals
_____ family, great for	_____ mature person(s)
_____ family room	_____ membership approval required
_____ female(s) only	_____ mentally handicapped, no
_____ golden agers only	_____ nice
_____ golf course, near	_____ no play area
_____ handicapped, not for	_____ no student(s)
_____ handyman's dream	_____ non-drinkers
_____ healthy only	_____ non-smokers
_____ Hispanic	_____ (#of) bedrooms
_____ hobby farm	_____ (# of) children
_____ Impair, no	_____ (# of) sleeping areas
_____ mentally ill, no	_____ (# of) persons
_____ Mexican-American	_____ nursing home

_____ Mormon Temple	_____ nursery
_____ mosque	_____ older person(s)
_____ mother-in-law apartment	_____ one child
_____ Muslim	_____ one person
_____ must comply with park rules	_____ Oriental
_____ nanny's room	_____ physically fit
_____ (nationality)	_____ play area
_____ near	_____ Polish
_____ neighborhood name	_____ prestigious
_____ newlyweds	_____ privacy
_____ private	_____ seasonal worker, no
_____ private driveway	_____ secluded
_____ private entrance	_____ Section 8, no
_____ private property	_____ secure
_____ private setting	_____ security provided
_____ public transport, near	_____ senior(s)
_____ Puerto Rican	_____ senior citizen(s)
_____ quality construction	_____ senior discount
_____ quality neighborhood	_____ shrine
_____ quiet	_____ singles only
_____ quiet neighborhood	_____ single person
_____ quiet tenants	_____ single women, man
_____ responsible	_____ smoking, no
_____ restricted	_____ smokers, no
_____ retarded, no	_____ (square feet)
_____ retired	_____ Social Security Insurance, no
_____ retirees	_____ sophisticated

- | | | | |
|-------|-------------------|-------|-------------------------|
| _____ | school district | _____ | stable |
| _____ | school name | _____ | straight only |
| _____ | student(s) only | _____ | woman (women) only |
| _____ | temple, near | _____ | tranquil setting |
| _____ | townhouse | _____ | synagogue, near |
| _____ | traditional style | _____ | tenant (description of) |
| _____ | two people | _____ | unemployed, no |
| _____ | view of | _____ | verifiable income |
| _____ | white | _____ | walking distance of |
| _____ | white only | | |

SPEED QUESTIONS

- 1) Which of the following actions is legal under Fair Housing laws in Nebraska?
 - a. Refusing to rent to a family with children.
 - b. Refusing to show a home to a Muslim couple.
 - c. Telling a prospective tenant a home is already rented when it is not.
 - d. Turning down a prospective tenant because of a poor credit history.

- 2) ALL of the following are exempt from the Federal Fair Housing Laws except;
 - a. A licensed agent selling a home for his/her family.
 - b. Church using a building for a non-commercial purpose.
 - c. For Sale by Owner.
 - d. Private golf club renting out rooms to its members.

- 3) A local broker does not have an equal housing poster displayed prominently in his office, nor do they have the equal housing logo displayed on their website. This absence may be considered;
 - a. Acceptable because there are not many minorities in Nebraska.
 - b. A misdemeanor and subject to a fine of not more than \$100 dollars.
 - c. Prima facie evidence of discrimination.
 - d. Good use of saving advertising space and money.

- 4) In 1989 HUD published advertising guidelines which;
 - a. Contained words, phrases, symbols or visual aids that indicate a discriminatory preference or limitation.
 - b. Contained words and phrases that indicate a non-discriminatory preference or limitation.
 - c. Contained words, phrases, symbols or visual aids that indicate a non-discriminatory preference or limitation.
 - d. HUD does not set advertising guidelines.

- 5) When filing a Fair Housing complaint with the Nebraska Real Estate Commission which of the following is true;
 - a. Complaint **MUST** be over the phone to a trained professional.
 - b. Aggrieved person **MUST** file the complaint within 90 days of an alleged discriminatory housing practice.
 - c. Aggrieved person **MUST** file the complaint with HUD, not the Nebraska Real Estate Commission.
 - d. Complaint **MUST** be in writing.

MODULE 4

UNDERSTANDING REAL ESTATE LAW



4. UNDERSTANDING

REAL ESTATE LAW

Real Estate Law

- Introduction to the importance of Real Estate Laws.

Nebraska License Law Act

- Learners should be able to interpret the basic concepts of Nebraska License Law Act.

Learn Key Terms

YOU WILL NEED: A copy of the **NEBRASKA REAL ESTATE LICENSE ACT**. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES



REAL ESTATE LAW

Successful real estate operations depend on;

1. _____

And

2. _____

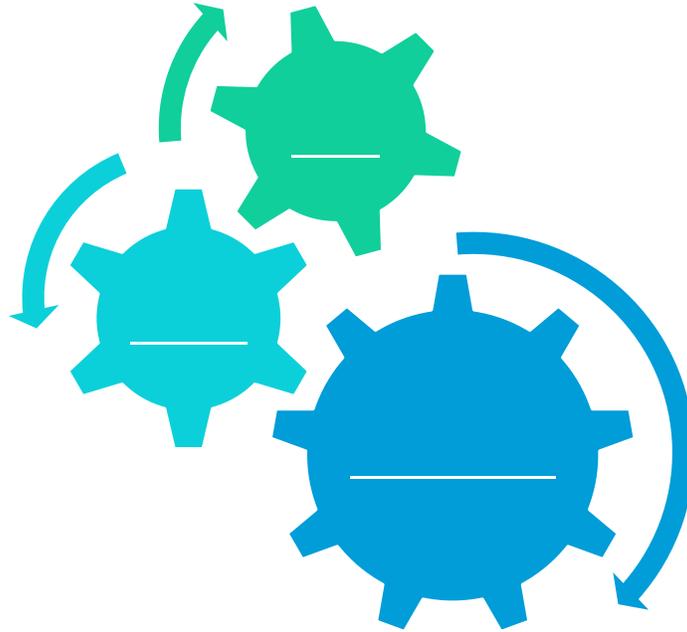
NAR:

“In everything that you do, every statement you make, and every paper you prepare, remember that there is a possibility that our action may be the subject of a court decision. Conduct yourself as if it is not only possible, but likely.”

~unknown broker

General Framework of Law and Regulation

In the United States.



Common Law

- _____

Case Law

- _____

Written Law;

Custom & Practice;



Federal and State Laws follow these basic principles:











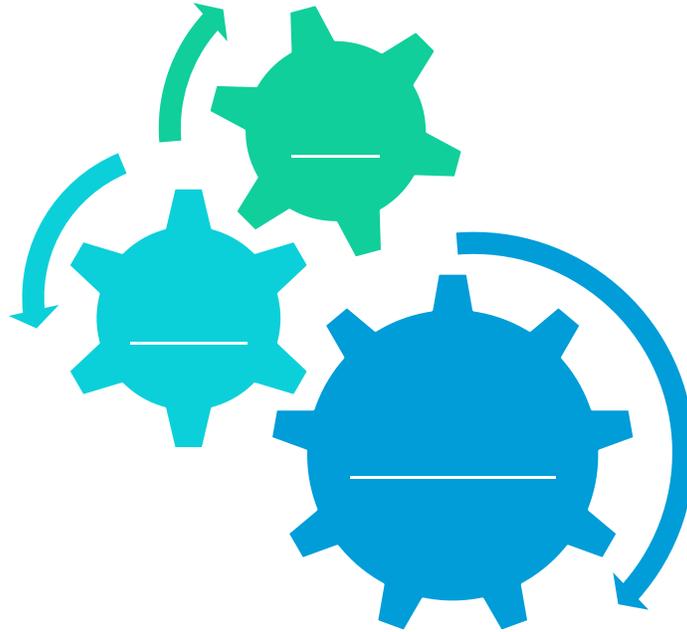




REMEMBER: Rules and Regulations are written by NREC as an addendum to the STATUTES. The purpose of License Law is to PROTECT the _____.



Specific Framework of Law and Regulation Of Real Estate Licensees Federal and State Constitutions.



*“A rule of civil conduct prescribed by the
supreme power in the State, commanding
what is right and prohibiting what is wrong.”*

~Blackstone

Nebraska Real Estate License Act:

Nebraska Agency Statutes:



What are they???

Limited Agency:

Standards of Representation:

Fiduciary Duty:

Agency Disclosure:

Regulations:

Specifically referred to as Rules and Regulations or the Nebraska Administrative Code in Nebraska.

Title 299: _____

Title 301: _____

Title 305: _____

Case Law:

Example of a Federal Law:

Example of a State Law:

“What happens if you sell real estate and don’t have a real estate license?”

WHO is exempt from needing a real estate license to sell real estate?

SPEED QUESTIONS

- 1) Successful real estate operations depend on the following;
 - a. Agents having the best technology in their field.
 - b. Ethics and honesty of its brokers and agents.
 - c. That the public also sees them as ethical and honest, and trusts them.
 - d. Both b and c.

- 2) To be successful in real estate an agent must;
 - a. have a strong background in law.
 - b. have a basic understanding of License Law and the legal process.
 - c. know right from wrong.
 - d. be able to read and interpret the civil rights manual to clients.

- 3) Real estate conflicts are governed by;
 - a. National Association of Realtors.
 - b. Federal Laws
 - c. State Laws.
 - d. Federal and State Laws.

- 4) What happens to an unlicensed person selling real estate?
 - a. They make more money because they don't have a commission split with a brokerage.
 - b. Fines, if the unlicensed person is found guilty of practicing real estate without a license.
 - c. They go to jail for a minimum of five years without parole.
 - d. Fines, of up to \$100 for each transaction they performed.

- 5) If a salesperson misses his/her license renewal date of November 30, but went ahead and sent a check in on December 16, is he/she a licensed agent of the State of Nebraska?
 - a. No, they must retake the state portion of the exam.
 - b. License is expired after December 1.
 - c. License is expired after December 15.
 - d. License is expired after December 31.

MODULE 5

UNDERSTANDING REAL ESTATE LAW



5. UNDERSTANDING REAL ESTATE LAW

Real Estate Law

- Introduction to the importance of Real Estate Laws.

Nebraska License Law Act

- Learners should be able to interpret basic concepts of the Nebraska License Law Act.

Learn Key Terms

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OBJECTIVES

Appraisal:

Broker's Price Opinion, (BPO):

Comparative Market Analysis, (CMA):

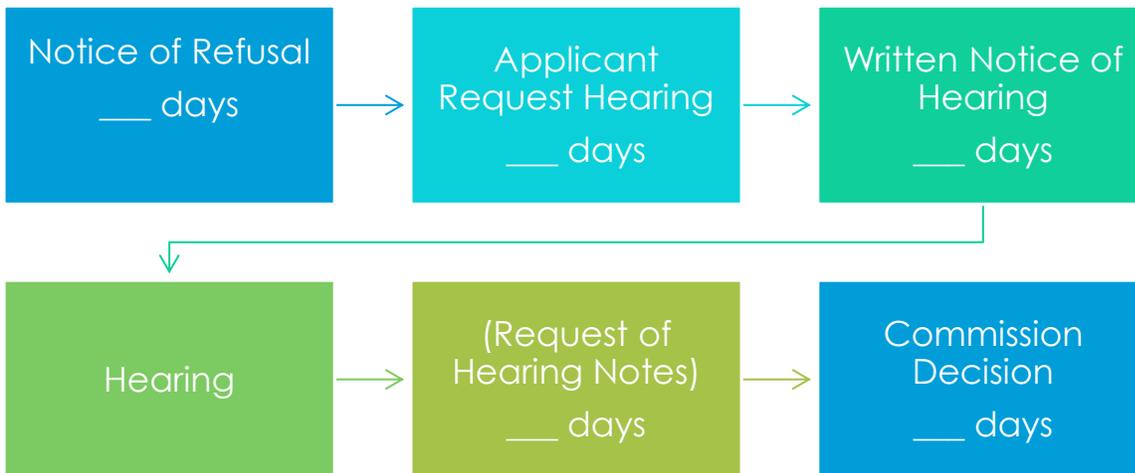


Train-the-Trainer Work Space





What is the process a licensee must go through when the commission denies your application?



81.885.18 Application; refusal; hearing; decision

Where can I display my license?

"...and shall be kept in the custody and control of such broker to display his or her own license and those of his or her associate brokers and salespersons conspicuously in his or her place of business."

81-885.19 License; form; issuance; brokers' branch office; license; fee.



Susie Salesperson leaves Company A for a better opportunity at Company B. What should Susie do with her license? _____

SPEED QUESTIONS

- 1) A new Nebraska real estate licensee has been asked by a potential seller to help determine value on the home they are preparing to put on the market. The new licensee should perform the following;
 - a. Appraisal, the process of estimating and supporting an opinion of value.
 - b. Brokers Price Opinion, (BPO) the estimate of profitable selling price, rather than value.
 - c. Comparative Market Analysis, (CMA) simplified version of the sales comparison approach to help determine the value of real estate.
 - d. None of the above.

- 2) Judy has successfully completed all of her pre-licensing requirements and was waiting on the acceptance of her real estate application when she received a “Notice of Refusal” from the commission due to a blemish that had appeared on her background check. If Judy really wants to become a real estate professional in the state of Nebraska what should Judy do next?
 - a. Request a hearing.
 - b. Reapply.
 - c. Retake her pre-licensing requirements.
 - d. Give up and move on to another career field with less restrictions.

- 3) Once a new licensee passes his exam his real estate license is;
 - a. His to keep and put on display in his home office.
 - b. Put safely in a file where it cannot be stolen.
 - c. Kept in the custody and control of his/her broker and put on display.
 - d. Displayed at the local real estate board office.

- 4) Members of the Nebraska Real Estate Commission are appointed by;
 - a. The Nebraska REALTORS Association
 - b. The public vote in November.
 - c. The Governor.
 - d. The Secretary of State.

- 5) The minimum age required to be issued a Nebraska broker’s or salesperson’s license is;
 - a. 18
 - b. 19
 - c. 21
 - d. None.

MODULE 6

TRUST ACCOUNTS



6. TRUST ACCOUNTS

Trust Accounts

- Introduction to learners in the basic concepts of Trust Accounts.

Discover

- Discover what information can be found on the NREC website.

Learn Key Terms

YOU WILL NEED: A copy of the **NEBRASKA REAL ESTATE LICENSE ACT** and **TRUST ACCOUNT MANUAL**. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES

Trust Accounts Word Find



Trust Account Puzzle

M F C O Q S V D X E S N G F O Z Y H J V X B I K Z
 Q K X I A T Y N I V K R L E T R N Y R N K F H Y R
 X Y W N X A N T F A S Q M S Q E G O V V W H H P B
 B Y W U V T H H R B D H G S Y O F L E A V A T S R
 A G E X V E S D D X I F J W C K E S T C M Y B N H
 P U N K V M C Q I D P L K O T H K G W N G F Q I O
 L Q N O X E C I A S K P Z U N H A N E E U G E W X
 I A O Y I N J K O P J R Y W I W G L G H P R A X N
 W M G O R T L H X V J D W H P C T S U R X V Y Z C
 P G T E Z S U Q F V N C H L R P O Z I K F A K R Y
 Q S X E N O I T A I L I C N O C E R N D O E W R K
 S L S F T C E G I Q T U Z B P S E O X F Z R Y S W
 F D E C Z G Y Y T T C G R C E X Y T L C G E B S D
 M P X R P N D U N U S E D T R P L L E D R A N E T
 R K K E U I R G A V Y N E S T I M A T E H N M L D
 U N M K G S I S Q Q R E I B Y L L E Z X A V J I F
 D X M O N O O E F N T R C L M S C R S B Q Y A V T
 Q T K R V L E L F A D A T H A T A O K D T Q W X H
 K O O B K C E H C T Q L L I N I N V Z U I W C E E
 K F U Y R W S I U S N L D N A S C J D X L V G L S
 T S L M G S L Y U J I E Y C G O E N B G D Y N I X
 B G Z M Y P Z A C G D D T B E P L E A S E K M A K
 Z Y D A U L I S T I N G A G R E E M E N T R S S T
 I G O D X S W R O D N E V W Z D D V Q H I D R R G
 O J X V C B Y V K M A R E R A M X M Y B I F C V L

**AGENCY
 CHECKBOOK
 DISCLOSURE
 FINANCIAL INSTITUTION
 LEASE
 PROPERTY MANAGER
 STATEMENTS**

**BROKER
 CLOSINGCOST
 DUPLICATE
 GENERAL LEDGER
 LISTING AGREEMENT
 REALTOR
 UNUSED**

**CANCELED
 DEPOSIT SLIP
 ESTIMATE
 INVOICE
 NREC
 RECONCILIATION
 VENDOR VOIDED**

What is a Trust Account?



1. Can trust accounts be interest bearing?

2. On July 1, 2017 what change is made to trust accounts?

3. Is there a limit of how many trust accounts a broker can have?



4. If a trust account is deemed “unsafe” by the Commission, to whom does the Commission report this?

5. What happens?

HINT: 81-885.21 Broker, separate trust account, notify commission where maintained; examination by representative of commission; broker entitled to money; when. THROUGH 81.885.23 Attorney General; special counsel; appoint; fees allowed; taxed as costs.

Make a list of what records Agents NEED to keep copies of and what records need to be turned into Brokers.

Agents



Brokers



Closing can be handled by?

1. _____
2. _____
3. _____



NO FUNDS can be dispersed prior to closing without the written consent of **ALL** parties. Persons closing are required to have **“GOOD FUNDS.”**

Trust Accounts in Real Property Management



What must a broker do to eliminate the possibility of a negative fund balance? _____

What may be considered “Trust Funds”? _____

What will a Broker be asked to provide for an examination?

BROKER EXAMINATION LIST

Make a list of the items a broker needs to supply an examiner during a trust account examination.

SPEED QUESTIONS

- 1) A relationship between an agent and his/her client is called;
 - a. friendship
 - b. client/agent confidentiality
 - c. agency
 - d. brokerage

- 2) The term most frequently used to describe the brokers personal funds which are maintained in the trust account is;
 - a. Brokers' Equity
 - b. Reconciliation
 - c. Statements
 - d. None of the above

- 3) Closings can be handled by the following individuals;
 - a. Licensed attorneys.
 - b. Licensed agents and brokers.
 - c. Licensed brokers, agents and attorneys.
 - d. Licensed brokers, attorneys, and title insurance agents.

- 4) A broker has used a check on the trust account to pay an expense on behalf of an owner, but the owner does not have sufficient funds in the account to cover the check. What must the broker do to eliminate the possibility of a negative balance?
 - a. Immediately prior to issuing any property management trust account check, contact the owner and request funds to cover the expense.
 - b. Provide a short-term loan from the broker's operating account, made payable to the trust account.
 - c. Prepare a journal entry on the trust account books which would reduce the balance in the broker's equity sub-ledger account, without creating a negative balance and increase the balance in the property sub-ledge account.
 - d. All of the above.

5) Agents must receive a _____ when writing the offer, not after the offer is accepted.

- a. Check
- b. Credit card number
- c. Debit card number
- d. None of the above

MODULE 7

THOU SHALT NOT



7. THOU SHALT NOT

Real Estate Law

- Learn 81-855.24

Case Study

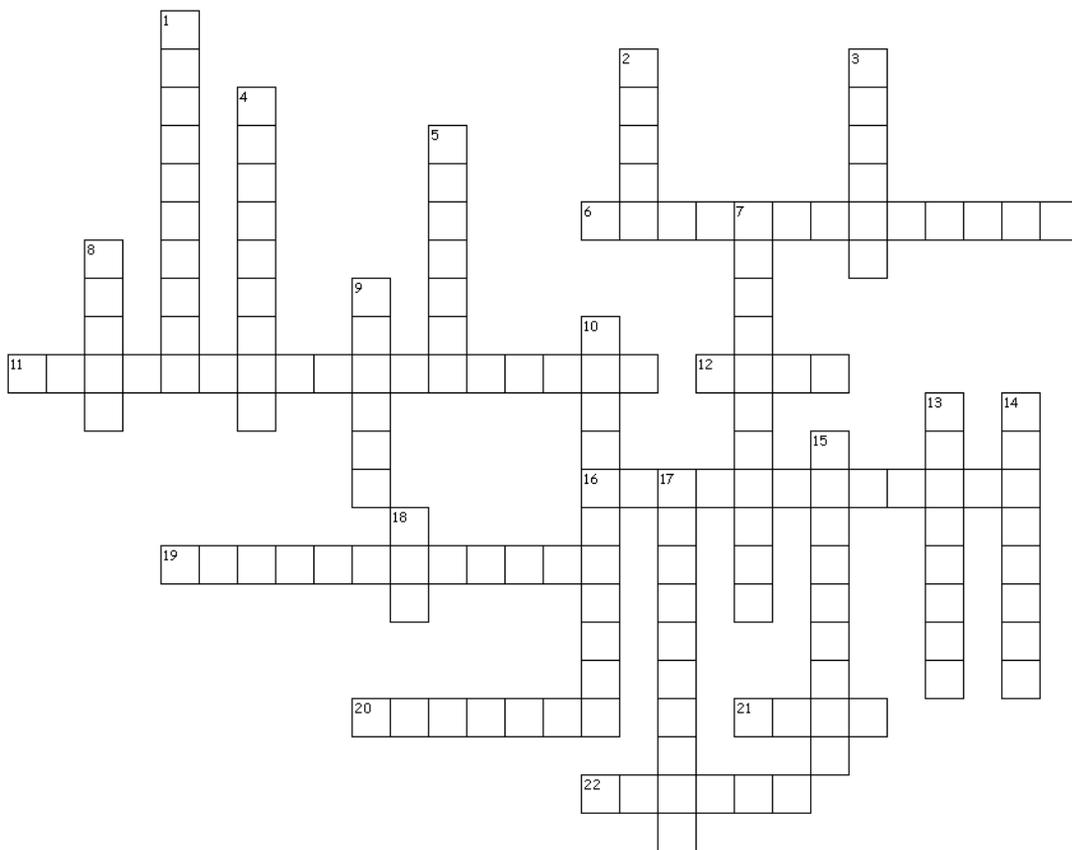
- Review case studies and answer questions using Nebraska License Law.

YOU WILL NEED: A copy of the NEBRASKA REAL ESTATE LICENSE ACT. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES



“Thou Shalt Not” Crossword



Across

6. An announcement to the public.
11. A false statement of concealment.
12. A present.
16. Unable to do one's job well.
19. Inducing owners to sell or rent based on representations that persons of a particular race, religion, national origin, etc., are moving into the area.
20. Statements of opinion and exaggeration.
21. The earth's surface, below the center, above to infinity, and all natural things attached.
22. One who acts as an intermediary on behalf of others for a fee.

Down.

1. To make known or uncover.
2. Intentional misstatement of fact to induce someone to take a particular action.
3. Inability of a person to exercise free will because of fear from another party.
4. One legally placed in a position of trust and confidence.
5. Statement of money received and paid, a bill, report, or description of finances.
7. Something needed or a necessary condition.
8. Type of account used for all money RECEIVED by a broker, escrow agent or the temporary custodian of funds for others in a real estate transaction
9. Relationship between a broker or agent and a principle.
10. Mix the money or other property of his or her principle with his or her own.
13. Agreement among competent parties to do or not to do some legal act(s) and supported by legal consideration.
14. Channeling home seekers to areas on the basis of their race, color, religion, etc.
15. Refusing to make loans or issue insurance policies in certain areas, based on the presence of a protected class.
17. To be proven guilty, especially in a court of law.
18. Department of Housing and Urban Development.

Attachment 7B

Use 81-885.24 to complete the following.

- 1) Refusing because of _____, _____, _____, _____, _____, or disability to show, sell, or rent any real estate for sale or rent to prospective purchaser's or renters is considered a violation of the Unfair Trade Practices.

- 2) Intentionally using advertising which is _____ or inaccurate in any material particular or in any way misrepresents any property, terms, values, policies, or services of the business conducted is considered a violation of the Unfair Trade Practices.

- 3) Accepting any form of _____ or _____ by an associate broker or salesperson from anyone other than his or her employing broker without the consent of his or her employing broker is considered a violation of the Unfair Trade Practices.

- 4) _____ the money or other personal property of his or her principals with his or her own is a violation of the Unfair Trade Practices.

- 5) Failing to include a fixed _____ of _____ In any written listing agreement and failing to leave a copy of the agreement with the principal is a violation of Unfair Trade Practices.

Attachment 7C

Your instructor will share story problems to assist you in answering the following questions in small groups.

Case Study 1

- What happens to Dani next?
- Do you think Dani should be able to continue to sell real estate?

Case Study 2

- **What happens next?**
- **What should Mark have done differently?**
- **Do you think Mark's punishment fit the crime?**

Case Study 3

- **What happens next?**
- **Do you believe Aaron's penalty was fair?**
- **What should he have done differently?**

MODULE 8

SUBDIVISIONS, TITLE 299 & 305



8. SUBDIVISIONS, TITLE 299 & 305

Subdivisions

- Assess learner's knowledge of Real Estate Law regarding Subdivisions.

Title 299 & 305

- Review laws and procedures in Title 299 and 305 which are drafted and enacted by the NREC.

Learn Key Terms.

YOU WILL NEED: A copy of the NEBRASKA REAL ESTATE LICENSE ACT, Title 299 & 305. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES

Subdivision:



What information must be included when making application for a subdivision in the State of Nebraska?

Why is it important to understand subdivision laws?





Nebraska is King of Chapter 9 Bankruptcies – How did that Happen?

Posted by Deane Winer 7/26/2013

NebraskaWatchdog.org

“BUST TO BOOM: The Standing Stone subdivision near Gretna filed for bankruptcy protection a few years ago, when it had 150 empty lots. But today, the subdivision is bustling with construction again.”

Title 299:

NOTES:



**Write one multiple choice question for each of the chapters;
Chapters 1 THROUGH 7, excluding 6 of Title 299.**

WORK SPACE:

**Write one multiple choice question for each of the chapters;
Chapters 1 THROUGH 7 of Title 299 excluding Chapter 6.**

WORK SPACE:

Title 305:



SPEED QUESTIONS

- 1) The following filing fee must accompany the application for a subdivision;
 - a. One hundred dollars.
 - b. Five hundred dollars.
 - c. One hundred dollars plus twenty-five dollars for each one hundred lots or fraction thereof to be offered for sale.
 - d. Five hundred dollars plus twenty-five dollars for each one hundred lots or a fraction thereof to be offered for sale.

- 2) Any person or subdivider acting as a broker, salesperson, or subdivider without having first obtained the required license or subdivision certificate may be;
 - a. Guilty of a felony.
 - b. Under suspicion.
 - c. Under suspension and may be found guilty of a Class II misdemeanor.
 - d. None of the above.

- 3) Title 299 is a;
 - a. Very boring part of the Nebraska License Law.
 - b. An interpretation or addition of the Nebraska License Law.
 - c. Section of law stating how many agents may sell real estate in Nebraska.
 - d. Section of law determining how much commission a new licensee can make.

- 4) Nebraska's Real Estate Commission rules governing the creation of rules and regulations and procedures for disciplinary orders and hearings is;
 - a. Title 299
 - b. Title 301
 - c. Title 305
 - d. None of the above

- 5) Effective November 19, 1997, Title 299; CHAPTER 6; COMPLAINT PROCEDURE; FILING; INVESTIGATION; HEARINGS will be replaced by;
 - a. Title 305, Chapter 4
 - b. Title 305, Chapter 14
 - c. Title 305, Chapter 24
 - d. None of these are correct answers.

MODULE 9

AGENCY RELATIONS



9. AGENCY RELATIONS

Agency

- Students should be able to differentiate between the different types of agency available to the consumer and explain each.

First Substantial Contact

- Students should understand what First Substantial Contact is and how to use it appropriately.

Define Key Terms

YOU WILL NEED: A copy of ARTICLE 24, AGENCY RELATIONS and a NEBRASKA AGENCY DISCLOSURE. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES

AGENCY:

NOTES:



First Substantial Contact:

What should be done at an Open House?



Attachment 9A

_____ CLIENT	_____ AGENCY RELATIONSHIP
_____ DUAL AGENT	_____ BUYERS' LIMITED AGENT
_____ CUSTOMER	_____ LICENSEE
_____ PRINCIPAL	_____ LIMITED SELLERS' AGENT
_____ ADVERSE MATERIAL FACT	_____ REAL PROPERTY

- A) Land and whatever, by nature or artificial annexation, is a part of it.
- B) A fact which can affect desirability or value of a property.
- C) A relationship created between a designated broker and his/her licensee affiliated with a client.
- D) A buyer or a seller who has entered into a brokerage relationship with a licensee.
- E) Buyer or seller in a real estate transaction who is not entered into a brokerage relationship with a licensee.
- F) A limited agent, who can represent both parties with the written informed consent of ALL parties.
- G) A single limited agent with the duties and obligations to only the buyer.
- H) A person authorizing an agent to represent them.
- I) A limited agent with the duties and obligations to only the seller.
- J) An all-inclusive term meaning designated broker, an associate broker or sales person.

Attachment 9B

Your instructor will share story problems to assist you in answering the following questions in small groups.

Case Study 1

Case Study 2



SPEED QUESTIONS

- 1) The prime obligation of an agent to the principal is;
 - a. Mutual trust.
 - b. Worship.
 - c. Loyalty.
 - d. Financial.

- 2) The best example of a fiduciary relationship is that relationship which exists between;
 - a. Broker and banker.
 - b. Salesperson and customer.
 - c. Salesperson and Nebraska Real Estate Commission.
 - d. Broker and client.

- 3) The person who makes the decision to create an agency relationship is the;
 - a. Seller.
 - b. Buyer.
 - c. Broker.
 - d. Principle.

- 4) Dual Agency is defined as;
 - a. A limited agent, who with the written informed consent of ALL parties may represent both sides of a transaction.
 - b. An agent who has to debate against another agent during a transaction.
 - c. A single limited agent with duties and obligations to one party of the transaction.
 - d. Agent who represents only buyers during a transaction.

- 5) An Agency Disclosure;
 - a. Should only be used when writing a contract.
 - b. Should not be used by property managers.
 - c. Should not be used by builder representatives.
 - d. None of the above.

MODULE 10

MAKING SENSE OF IT ALL



10. MAKING SENSE OF IT ALL

Violations

Continuing Education

Seller Property Disclosure

- Review of violations, CE and SPD.

Other Statutory References

- SID's, Homesteads, and more.

Preparing for the Exam.

YOU WILL NEED: A copy of the NEBRASKA REAL ESTATE LICENSE ACT, SELLER PROPERTY DISCLOSURE STATEMENT, OTHER STATUTORY REFERENCES, COMMISSION POLICY AND INTERPRETATIONS. If one is not provided by your instructor, please go to the Nebraska Real Estate Commission website, www.nrec.ne.gov.

OBJECTIVES



Errors and Omissions Insurance:

Questions to ask yourself?

- How important is E&O insurance to your business plan?
- How much do you need?
- Why do you need it at all?

“In each two year period, every licensee shall complete twelve hours of approved Continuing Education activities and six hours of Broker Approved Training.”



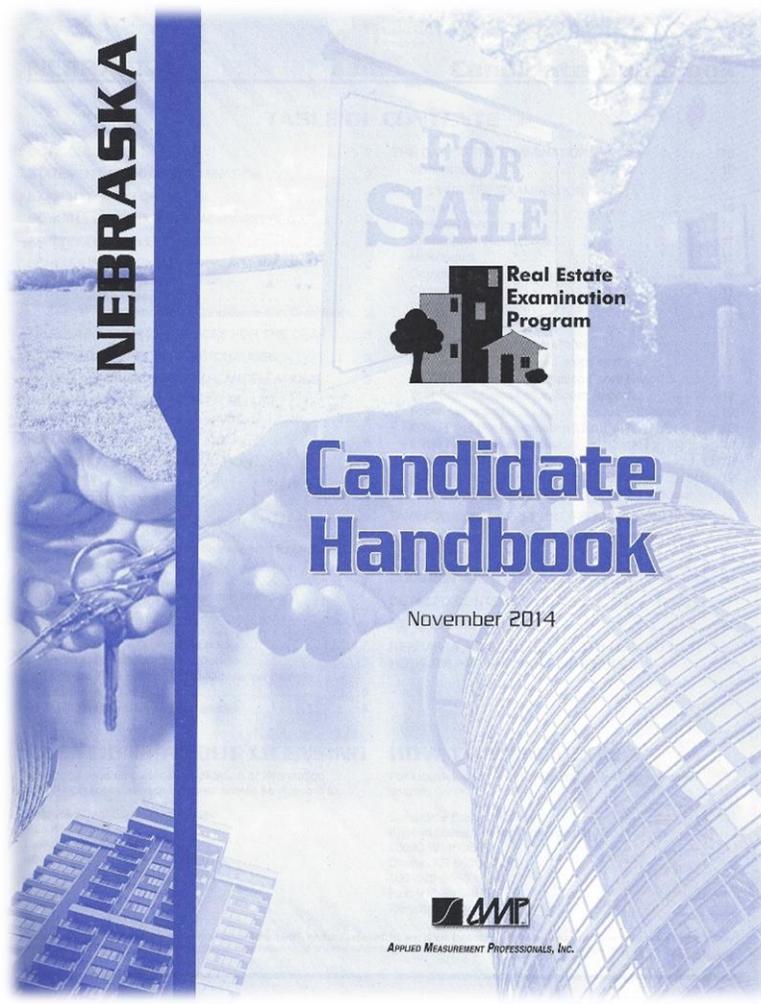
What does that mean to a new licensee?

NO Continued Education during the first year of license, then 2 year education renewal cycle begins.

81-885.49 Continuing Education; purpose THROUGH 81.885.54 Continuing Education; Rules Regulations.

PRESENTATION WORK PAGE:

WHERE DO I FIND TESTING INFORMATION?



NOTES:

NOTES: