Tennessee Real Estate Commission Instructor Training

Manual

Tennessee Real Estate Commission
500 James Robertson Parkway
Nashville, TN 37243
https://tn.gov/commerce/section/real-estate-commission
615-741-2273

This instructor training manual has been developed to facilitate compliance with the law and rules established for all instructors teaching approved Tennessee Real Estate Commission education. This course provides a baseline of knowledge for all instructors regardless of experience and expertise.

Objectives: At the end of this course the instructors will have a working knowledge of the basic laws, rules, policies and guidelines that apply to education set forth by the Tennessee Real Estate Commission .

Provider and Instructors at a minimum shall:

- Ensure courses cover subjects reasonably related to the practice of real estate and suitably advanced to benefit and enrich the licensees enrolled
- Be conducted in a facility which contains adequate space, seating and equipment
- Provide courses consisting of no fewer than two (2) class room hours
- Provide a final exam for courses eight (8) hours or greater
- Any distance education version of the basic principles or real estate course shall include at least one (1) student interaction for every five (5) hours of credit
- Notify the Commission with any changes immediately and keep the contact information current
- Comply with Education Requirements set forth in the Rules of the Tennessee Real Estate Commission Chapter 1260-5
- Be aware that TREC audits approved courses at random

Please take the time to review the material and incorporate information as needed into your course work. After reviewing this manual, please complete the affidavit of completion and e-mail back to trec.education@tn.gov

Again, on behalf of the Tennessee Real Estate Commission and Commissioners, thank you for the education you provide!

Cordially,

Education Director, E. Ross White
Tennessee Real Estate Commission
500 James Robertson Parkway
Nashville, TN 37243
615-532-8278
800-342-4031
Ross.White@tn.gov

Table of Contents

Mission and Vision of TREC 4

Bloom's Taxonomy 5

Adult Teaching Techniques 6

Pre-license Education 7
- Affiliate Broker 7
- Broker 9
- Timeshare Salesperson 11
- Acquisition Agent 11

Continuing Education 12

Vacation Lodging Service 13

Error and Omissions Insurance 14

TREC Policies 16

2013 – 2014 TREC Core 17

Law of Agency in Tennessee 19

TREC Education Information 22
- Uploading Rosters 22
- Maintaining Education Records 23
- Withdrawal of Approval 24

Additional Resources 25

Affidavit of Completion (please complete and remit to TREC) 26

Created in 1951, The Tennessee Real Estate Commission licenses and registers Real Estate Firms, Brokers and Affiliate Brokers. The Commission also enacts rules addressing professional conduct and standards of practice.

Our Purpose

To license and regulate real estate brokers and affiliate brokers, real estate firms, rental location agents, time-share salespersons and developments, vacation clubs and vacation lodging services.

Our Mission

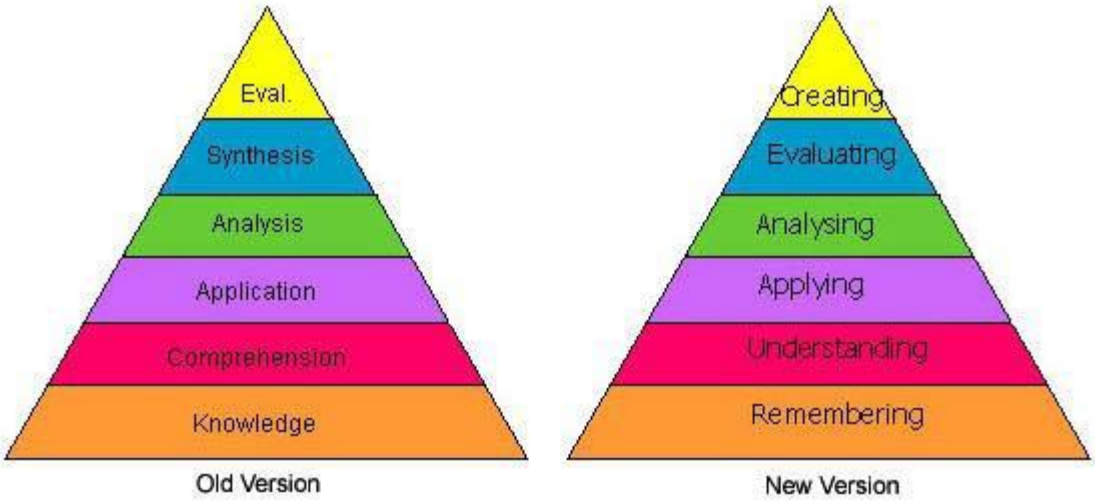
The mission of the Tennessee Real Estate Commission is to protect the public through establishment and administration of minimum requirements for candidates and licensees, effective professional education of licensees and enforcement of professional conduct.

Commissioners	**Chairman** John Griess Knoxville, TN	**Vice-Chairman** Janet DiChiara Jackson, TN	Gary Blume Germantown, TN	Marcia Franks Franklin, TN
Austin McMullen Nashville, TN	Diane Hills Kingsport , TN	Bobby Woods Jr. Mount Juliet, TN	Fontaine Taylor Memphis, TN	Johnny Horne Chattanooga, TN

Bloo m's Taxo no my

Licensees and adult learners benefit from a higher level of education than simple recall of facts. Benjamin Bloom is credited for establishing a classification of learning objectives which proclaim learning at higher levels is dependent on the knowledge and skills developed at earlier levels of learning. These concepts are presented to assist in development of course materials but not recognized as the only source when constructing a course for adults.

According to Bloom, human thinking skills can be broken down into the following six categories:



http://projects.coe.uga.edu

1 .**Knowledge**- tests recall and recognition (list, recall, repeat)

2. **Comprehension/Understanding**- allows students to translate, interpret and extrapolate (locate, identify, paraphrase

3. **Application/Applying-** test previous information learned with new and/or unfamiliar situations (illustrate, operate, choose, demonstrate)

4. **Analysis/Analyzing**- encourages students to break down information into parts to test classification, arrangement and analysis skills (compare, contrast, distinguish)

5. **Synthesis/ Evaluating**- apply prior knowledge and skills to produce a new or whole original (select, evaluate, argue, appraise)

6. **Evaluation/Creating**- encourages students to make judgments according to a set of criteria (assemble, construct, create, write)

Adult Learners

The information presented below is an analysis of adult learners. Your course preparation should be mindful of the background of a real estate licensee and focus on a learner-centered approach. These concepts in action with your material will ensure a meaningful learning experience. Adult learners are:

- Problem-centered and seek solution
- Results-oriented- have specific results in mind and choose education with direct benefit
- Self-directed- independent of others
- Seek education that relates or applies directly to their perceived needs, that is timely and appropriate for their current lives
- Self-guided in their learning
- Bring more to the class room than younger learners and expect a take-away value
- Adults have established values, beliefs and attitude
- When providing new concepts or requesting a change in established behavior, be mindful that values are the most difficult to influence in relation to beliefs and attitudes.

  VALUES > BELIEFS > ATTITUDES
- Understand concepts when symbols used have similar referents for them
  - Language is symbolic (gesture, sound, action, object, or word)
  - Words have no inherent meaning
  - We communicate effectively with symbols only when we have similar referents (object or experience to which a symbol refers to) for them
- Require instructors and discussion to overcome bypassing, lack of clarity and the use of emotive words
  - Bypassing occurs when people have different referents for the same word or phrase but think they have the same meanings, or when they think they disagree but really do not
  - Lack of clarity occurs when communication could be interpreted in more than one way causing ambiguity and the lack of concrete or specific referents. Think of such words as justice, fairness, democratic.
  - Replacing emotive terms (words that evoke strong feelings in others) with neutral ones allows for an objective examination of an idea
- Over time, adult learners develop listening preferences. These preferences can affect the quality of learning within your course
  - People-Oriented Listeners focus on emotions and other's moods
  - Action-Oriented Listeners focus on the discussion at hand and respond favorably to organization
  - Content-Oriented Listeners are drawn to analyzing highly credible sources of information
  - Time-Oriented Listeners focus beginning and ending times and discourage wordy discussions

Pre-License Education

Licenses shall be granted only to persons who bear a good reputation for honesty, trustworthiness, integrity and competence to transact the business of broker, affiliate broker or time-share salesperson in a manner to safeguard the interest of the public and only after satisfactory proof of such qualifications has been presented to the commission. No license shall be denied any person because of race, color, religion, sex or national origin.

- Information below is a synopsis of the requirements set forth for a real estate license in Tennessee. Please review the entire law before instructing licensees.

Affiliate Broker

Pursuant to TCA § 62-13-303, an applicant for an affiliate real estate broker's license must provide adequate proof to the Commission that they have a high school degree or a general educational development certificate. Any transcripts provided from schools outside of the United States must be translated before being submitted to the commission.

TREC requires 90 hours of pre-license education before obtaining an affiliate license. The 60 hour Basic Principles of Real Estate course must be successfully completed prior to taking the exam and the 30 hour Course for New Affiliates course must be completed prior to licensure. After completion of the exam, an applicant must affiliate with a firm within six (6) months or retire the license.

Pursuant to Rule 1260-5-.03(6) (a) (b), a candidate for an affiliate broker license shall be deemed to have completed the 60 hour course if:

(a) the candidate holds a college or university degree with a major or concentration in real estate and the candidate's transcript shows successful completion of at least one 3 hour (30 hours or more of classroom instruction) course in the principles/fundamentals
of real estate and at a minimum two more courses totaling at least 60 hours of classroom instruction in real estate as evidenced by the title or description of the course; or

(b) the candidate holds a law degree and the law school transcript evidences successful completion of at least one 3 hour course (30 hours or more of classroom instruction) in real property and at least 60 other hours of classroom instruction in contracts and agency.

There shall be a sixty (60) hour course in basic principles required of all applicants for an affiliate broker's license under T.C.A. §62-13-303.

60 Hour Basic Principles of Real Estate Instruction Areas:

Rule 1260-05-.03(3)

(a) he real estate business

(b) the agency relationship

(c) contracts (listings; leases; sales)

(d) governmental controls on real estate, including the Tennessee Real Estate Broker License Act

(e) egal aspects of real estate

(f) eal estate mathematics

(g) real estate valuation

(h) real estate finance

(i) listing, offer to purchase, and settlement forms

(j) Tennessee real estate laws, rules, practice, etc.

(k) fair housing

(l) any additional subject which the Commission may require by reasonable written notice to course sponsor and/or instructor.

Notes:

30 Hour Course for New Affiliates Instruction Areas

1. Listings (3 hours)
    a. Determining Market Value
    b. Advertising
    c. All Disclosures
2. Agency (3 hours)
    a. All Disclosures
    b. Agreement
    c. Buyer Representation
3. 3. Contracts (6 hours)
    a. Laws
    b. Drafting
    c. Distinction from Offer
4. Fair Housing – Antitrust (3 hours)
5. Risk Reduction (3 hours)
    a. Documentation/Records
6. Tennessee Real Estate Commission's Laws/Rules/Policies (3 hours)
    a. Broker/Affiliate/Firm Relationships and Responsibilities
7. Residential/Commercial/Rental Property Management (types of specialties) (3 hours)
8. Ethics and Etiquette (3 hours)
    a. Communication
9. Finance (3 hours)
    a. Closings

Broker

Any person who desires a broker's license shall submit an application for examination to the commission on the prescribed form and have been actively licensed for three (3) years and have completed 120 hours of approved real estate education including the 30 hour pre-license Office Broker Management course. Within a period of three (3) years from the date of issuance of an original broker's license, the licensee shall, as a requisite for the reissuance of the license, furnish certification of satisfactory completion of an additional one hundred twenty (120) classroom hours in real estate at any school, college or university approved by the commission. Beginning with the license period immediately following the license period in which the licensee completes the one hundred twenty (120) hours of education specified in this subsection (h), the licensee of a broker's license originally issued after January 1, 2005, every two (2) years shall furnish certification of satisfactory completion of sixteen (16) classroom hours in real estate courses at

any school, college or university approved by the commission as a requisite for the reissuance of the license. Consideration is also given for:

(3) (A) If the applicant was licensed as an affiliate broker after May 12, 1988, satisfactory proof that the applicant has held an active real estate license for at least thirty-six (36) months, or, if the applicant holds a baccalaureate degree with a major in real estate, for at least twenty-four (24) months; or

(B) If the applicant was licensed as an affiliate broker on or before May 12, 1988, satisfactory proof that the applicant has been engaged as a real estate licensee for at least twenty-four (24) months, or, if the applicant holds a baccalaureate degree with a major in real estate, for at least twelve (12) months.

The "office or brokerage management" course required of applicants for broker's licenses by T.C.A. §62-13-303 shall include significant instruction in the following areas:

Rule 1260-05.03(4)

(a) overview of theories, processes, and functions of management

(b) review of contracts and closing statements

(c) transition to management role

(d) planning; policy-making; setting objectives

(e) organizing and staffing

(f) recruiting, selecting, training, and retaining sales and office personnel

(g) written instruments; policy and procedures manual; contract between independent contractor and broker, and contract between salesperson-employee and broker

(h) financial systems and records

(i) processes, procedures, and methods of control

(j) stages of development in real estate firms

(k) market analysis

(l) horizontal and vertical expansions

(m) mergers and acquisitions

(n) governmental controls on real estate including the Tennessee Real Estate Broker License Act

(o) any additional subject which the Commission may require by reasonable written notice of the course sponsor and/or instructor

Time-Share Salesperson

Any person desiring a time-share salesperson license shall submit an application for examination and license to the commission on prescribed form and provide certification, by the broker with whom the applicant desires to be affiliated, stating that the applicant has completed a thirty (30) hour training program consisting of instruction in the fundamentals of the Tennessee Time-Share Act.

Acquisition Agent

Any person who desires an acquisition agent license shall submit an application for examination and license to the commission on the prescribed form.

Notes:

Continuing Education

Every two years as required by statute to renew a Tennessee real estate license, a resident of Tennessee must complete 16 hours of education; six (6) of which is the mandatory TREC Core course and ten (10) of approved elective education. A licensee that resides outside of Tennessee (non-resident) is not required to complete continuing education to renew a Tennessee real estate license.

Courses approved by the Commission for continuing education must be related to the following topics found in Rule 1260-5-.03(5)(a). The Commission may add or delete any subject by means of reasonable written notice to the course sponsor and/or instructor.

1. Valuation of Real Estate
2. Construction-Property condition, energy
3. Contracts
4. Agency
5. Financing Real Estate
6. Investment Real Estate
7. License Law and Rules
8. Property Management
9. Taxation of Real Estate Transaction
10. Closing and Settlement Procedures
11. Land Use, Planning and Zoning
12. Time-shares
13. Type of Property (condo, dom, pud, zero lot line, single etc.)
14. Fair Housing
15. Antitrust
16. Ethics in Real Estate
17. Professional Liability

For example, a course on Fair Housing would be cited as Rule 1260-5-.03(5)(a) 14 Fair Housing. The topics your course covers will be listed on page (2) of the course application.

- A licensee that wishes to retire their license must complete the required education prior to expiry and send the proper paperwork with fee to TREC. A license will be in temporary retirement – inactive status - until expiry if a licensee submits paperwork and a fee to retire. Education must be completed prior to the expiry for the license to be retired.

Vacation Lodging Service- Designated Agent

On July 1, 2011, changes to the Vacation Lodging Services industry in Tennessee took effect. If a person named as a designated agent for a vacation lodging service firm has completed the course required pursuant to the act to be licensed as a designated agent prior to the effective date of the act or between the time the act was signed by the governor and July 1, 2011, such person shall not be required to retake any such course in order to be licensed as a designated agent by the Tennessee Real Estate Commission.

Below are some of the amendments made to Tennessee Code Annotated, section 62-13-104:

- "Designated agent" means an owner, principal, officer, or upper level manager of a vacation lodging services firm.
- Upon application for a firm license for a vacation lodging service and each renewal of the license, the firm shall designate one (1) individual from that firm who shall be individually licensed as a designated agent through the Tennessee Real Estate Commission. Such designated agent shall be responsible for the completion of training programs to be taught by an individual in the vacation lodging services business or other person who meets qualifications set by the Tennessee Real Estate Commission. Such training programs shall consist of instruction in the fundamentals of this subsection and related topics. No person shall be licensed by the commission as a designated agent until such person completes the required eight-hour introductory course.
- Every two (2) years, as a requisite for the reissuance of a firm license for a vacation lodging service and for reissuance of the designated agent license, the firm shall furnish certification that the designated agent for the firm has completed eight (8) classroom hours in training programs approved by the commission.
- If a designated agent, as designated by a vacation lodging services firm, leaves or moves from the vacation lodging service firm, the firm or designated agent for such firm must notify the Tennessee Real Estate Commission within ten (10) days of such action. The vacation lodging service firm must replace the designated agent within sixty (60) days of such action and notify the commission of the name of the new designated agent. During such time period, all rules or regulations related to a vacation lodging service firm shall remain in full force and effect with respect to such a vacation lodging service firm until a designated agent is replaced. Any obligation or duty required to be fulfilled by the designated agent shall be fulfilled by another person in the vacation lodging service firm.
- A designated agent may serve as a designated agent for multiple offices of the same vacation lodging service firm within a fifty (50) mile radius of the principal office of the firm, but may not serve as a designated agent for multiple firms.
- The firm license and the license for the designated agent for the firm, and all renewals thereof, shall expire at the same time. If a license is issued to a designated agent following the date the firm license is issued or renewed, the license for the designated agent shall be issued or renewed so that it expires on the date the license of the firm is to expire. The commission is authorized to prorate the license for the designated agent or extend the date for the renewal of such a license to ensure the licenses expire concurrently.
- FOR AN APPLICATION, VISIT: https://tn.gov/assets/entities/commerce/attachments/REC_Designated_Agent_for_Vacation_Lodging_Services.pdf

Error and Omissions Insurance

T.C.A. -13-112. Errors and omissions insurance.

(a) Each licensee who is licensed under this chapter shall, as a condition to licensing, carry errors and omissions insurance to cover all activities contemplated under this chapter. The requirements of this section shall not apply to acquisition agents.

(b) It is not mandatory that a person who has been issued a firm license obtain errors and omissions insurance in the name of the firm. Persons issued a firm license by the Tennessee real estate commission shall have the option of obtaining errors and omissions coverage in the name of the firm in addition to the mandatory individual coverage for the brokers and affiliate brokers within the firm.

(c) The commission shall make the insurance required under this section available to each licensee by contracting with an insurance provider for errors and omissions insurance coverage for each licensee after competitive, sealed bidding in accordance with title 12, chapter 3.

(d) Any policy obtained by the commission shall be available to each licensee with no right on the part of the insurance provider to cancel coverage for any licensee, other than as set forth by the commission and in compliance with § 56-7-1803.

(e) Each licensee shall have the option of obtaining errors and omissions insurance independently, if the coverage contained in an independently obtained policy complies with the minimum requirements established by the commission.

(f) The commission shall determine the terms and conditions of coverage required under this section, including, but not limited to, the minimum limits of coverage, the permissible deductible and the permissible exemptions.

(g) Each licensee shall be notified of the required terms and conditions of coverage for the policy at least thirty (30) days before the licensee's renewal date. A certificate of coverage, showing compliance with the required terms and conditions of coverage, shall be filed with the commission by the license renewal date by each licensee who elects not to participate in the insurance program administered by the commission.

(h) If the commission is unable to obtain errors and omissions insurance coverage to insure all licensees who choose to participate in the insurance program at a reasonable premium, in such amount as determined by the commission, the requirement of insurance coverage under this section shall be void during the applicable contract period.

(i) The errors and omissions insurance coverage required by this section shall become effective as a condition of license granting or renewal on December 31, 1990. If practical, the commission may offer the coverage on a voluntary basis before such date.

Rule 1260-1-.15 Errors and Omissions Insurance Coverage

It shall be a requirement for an active licensee to carry errors and omissions insurance to cover all activities contemplated under the Tennessee Real Estate Broker License Act unless the Commission is unable to obtain coverage pursuant to T.C.A. §62-13-112(g) which would void the requirement of coverage under the applicable contract period.

> (1) A licensee who places his license in an inactive or retired status is not required to carry errors
> and omissions insurance until such time as his license is activated.
> (2) New licensees, licensees who activate their license from an inactive or retired status, and licensees who reinstate their license from an expired status at a time other than the beginning of the licensing period shall pay a prorated premium in accordance with a schedule provided by the insurance provider.
> (3) The Commission shall perform random audits to assure that licensees have met the requirements of this rule.
> 4) Any independently obtained errors and omissions insurance policy shall, at a minimum, be issued upon the same terms and conditions as the policy obtained by the Tennessee Real Estate Commission
> pursuant to T.C.A. § 62-13-112, including, but not limited to, the limits of coverage, the permissible deductible, the permissible exemptions and the term of the policy.

All active Tennessee real estate brokers, affiliate brokers and timeshare salespersons are required to carry errors and omissions insurance as a condition of licensure. The State of Tennessee selected Rice Insurance Services Company, LLC (RISC) as the program administrator for the group Errors & Omissions (E&O) insurance program for Tennessee licensees for 2013 - 2014. Continental Casualty Company, one of the CNA insurance companies, is the insurance carrier for the E&O program. The CNA insurance group is one of the largest writers of commercial property casualty insurance in the United States and is rated A (Excellent) by A.M. Best.

RISC provides all servicing of the Tennessee account (administrative duties include claims handling, policy issuance, marketing mailings, etc.) The management team of RISC specializes in handling group programs for states with mandatory real estate E&O insurance requirements. RISC is located at 4211 Norbourne Boulevard, Louisville, Kentucky 40207.

This program is designed exclusively to provide professional liability insurance for Tennessee Real Estate Licensees. Even the most careful professional cannot always prevent the filing of a frivolous lawsuit nor can they preclude making an honest mistake. Under this program, the insurance provider has the responsibility of defending as well as paying a settlement or judgment on covered claims, subject to the deductible, up to the limits of liability.

For more information and a sample policy, visit:
http://www.risceo.com/Tennessee/tn_home.htm

For a Sample Tennessee Policy, copy and paste the link below into your browser:
http://www.risceo.com/Tennessee/TN_2011%20DEC_POLICY_OFAC.pdf

Updated TREC Policies

The Tennessee Real Estate Commission adopts policies that are beneficial for instructors to be aware of. You can find all adopted policies online by visiting:

http://www.tn.gov/commerce/boards/trec/policies.shtml

CTRL+CLICK to follow link

- 2012-CPS-009 Policy on Electronic Records
- 2012-CPS-008 Policy on Lapsed E&O Insurance
- 2012-CPS-007 Principal Broker Required to Appear for Informal Appearances
- 2012-CPS-006 Certified Copy of Conviction Required
- 2012-CPS-005 Reinstatement of an Expired License
- 2012-CPS-004 Interest Bearing Escrow Accounts
- 2012-CPS-003 Commissions Earned by Affiliated Licensees
- 2012-CPS-002 Policy on Transactions Involving Asset Management Companies
- 2012-CPS-001 Policy on Internet Advertising
- 2011-CPS-001 Policy on Lapsed E&O insurance (to be repealed; replaced by 2012-CPS-008)
- 2010-CPS-002 Death or Extended Absence of Principal Broker
- 2009-CPS-004 Commission Ethics Course
- 2009-CPS-002 Priority Given to Egregious Complaints
- 2000-CPS-002 Duplicate or Confusingly Similar Names
- 2000-CPS-001 Credit for Post License Education Taken in Another Jurisdiction Prior to Licensure in Tennessee
- 1996-CPS-004 Selection Criteria: William C. (Bill) Tune, Jr. Award for Excellence in Education
- 1995-CPS-003 The Conduct of Receiving Fees or Rebates from Home Inspectors by Real Estate Licensees for Referring Business Constitutes Improper Dealing and As Such Violates T.C.A. 62-13-312(20)

2013-2014 TREC Core Course

The TREC Core course is a mandatory six (6) hour course required for license renewal of those required to complete education. Licensees have two (2) options of TREC Core courses to complete, but only one (1) will be accepted for renewal of a license. The TREC Core course is not established as continuing education.

Pursuant to T.C.A. § 62-13-324(7)(c), before teaching the core course required every two (2) years by the real estate commission, an instructor shall demonstrate competency in the subject by taking an approved instructor course of at least four (4) hours on the subject matter being presented in the core course.

TREC CORE Course Topics for 2013-2014(Residential)

I. TREC Law, Rule, Policy Update and E&O Guidelines

II. Agency § 62-13-401 - 408

III. Advertising

a. Claims, Offers and Guarantees § 62-13-302 (b)
b. Teams §62-13-312(11) - TREC recognizes individuals and thus commissions paid must be paid to a licensed individual affiliated with a firm and supervised by a Principal Broker.

IV. Contracts

V. Property Management

a. Escrow Account Set-up: Rule 1260-02.09(1)

b. TREC Requirements: Tennessee Landlord and Tenant Act is regulated by the Division of Consumer Affairs. Further information can be found in T.C.A § 66-28-101 Uniform Residential Landlord and Tenant Act. Language was added in 62-13-309(g) allowing a principal broker to act as principal broker for two (2) firms as long as both firms are in the same location. “Same location” means that both firms are located at and use the same physical address. This addition does not directly speak to the practice of property management but alleviates the issue for some firms that are involved with the practice.

TREC CORE "COMMERCIAL" Course Topics for 2013-2014

I. TREC Law, Rule, Policy Update and E & O Guidelines
II. Property Disclosures
   a. Mold
   b. Lead Based Paint
   c. Asbestos
   d. Storage Tanks
   e. Flood Plains
   f. Stigmatized Properties
   g. Megan's Law as applied to Multi-Family
III. Fair Housing
IV. Gifts, Prizes and Rebates
V. Principal Broker Supervision
VI. Common Problems and Issues with Commercial Contracts and Leases
   a. Net
   b. Triple Net
   c. Gross
   d. Modified Gross
VII. Tennessee Agency Law
VIII. Ethics

Notes:

Law of Agency in Tennessee

- Pursuant to 62-13-324(7) (d), before teaching a course on the law of agency, an instructor shall successfully complete an approved instructor course on agency.

T.C.A. -13-102. Chapter definitions.
As used in this chapter, unless the context otherwise requires:

(1) "Acquisition agent" means a person who by means of personal inducement, solicitation, or otherwise attempts directly to encourage any person to attend a sales presentation for a time-share program; provided, however, that "acquisition agent" shall not include any person or that person's employee who engages in any such activity solely on real property owned or leased by the person on or within the premises of a hotel, motel, private resort or lodging rental office or phone or mail solicitation business;

(2) "Adverse facts" means conditions or occurrences generally recognized by competent licensees that have negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property;

(3) "Affiliate broker" means any person engaged under contract by or on behalf of a licensed broker to participate in any activity included in subdivision (4);

(4) (A) "Broker" means any person who, for a fee, commission, finders fee or any other valuable consideration or with the intent or expectation of receiving a fee, commission, finders fee or any other valuable consideration from another, solicits, negotiates or attempts to solicit or negotiate the listing, sale, purchase, exchange, lease or option to buy, sell, rent or exchange for any real estate or of the improvements on the real estate or any time-share interval as defined in the Tennessee Time-Share Act, compiled in title 66, chapter 32, part 1, collects rents or attempts to collect rents, auctions or offers to auction or who advertises or holds out as engaged in any of the foregoing;

(B) "Broker" also includes any person employed by or on behalf of the owner or owners of lots or other parcels of real estate, at a salary, fee, commission or any other valuable consideration, to sell the real estate or any part of the real estate, in lots or parcels or other disposition of the real estate. It also includes any person who engages in the business of charging an advance fee or contracting for collection of a fee in connection with any contract whereby the person undertakes primarily to promote the sale of real estate either through its listing in a publication issued primarily for that purpose or for referral of information concerning the real estate to brokers, or both;

(5) "Client" means a party to a transaction with whom the broker has entered into a specific written agency agreement to provide services;

(6) "Customer" means any party, other than a client in a transaction, for whom or to whom a licensee provides services;

(7) "Designated agent" refers to a licensee who has been chosen by the licensee's managing broker to serve as the agent of an actual or prospective party to a transaction, to the exclusion of other licensees employed by or affiliated with the broker;

(8) "Dual agency" refers to a situation in which the licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of the parties are adverse;

(9) "Facilitator" means any licensee:

(A) Who assists one (1) or more parties to a transaction who has not entered into a specific written agency agreement representing one (1) or more of the parties; or

(B) Whose specific written agency agreement provides that if the licensee or someone associated with the licensee also represents another party to the same transaction, the licensee shall be deemed to be a facilitator and not a dual agent; provided, that notice of assumption of facilitator status is provided to the buyer and seller immediately upon the assumption of facilitator status, to be confirmed in writing prior to execution of the contract. A facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction broker" may be used synonymously with, or in lieu of, "facilitator" as used in any disclosures, forms or agreements under this chapter;

(10) "Limited agency" means an agency relationship created for the purpose of providing real estate services in which the client's or other party's liability for the actions or statements of an agent, subagent or facilitator is limited to actions or statements initiated by specific instruction of the client or other party or those actions or statements about which the client or other party had knowledge;

(11) "Material" means any statement, representation or fact relative to a transaction that would affect a reasonable person's decision to enter into an agreement and that has been identified by the person as being of significance to a particular party;

(12) "Party" means any person or persons seeking to obtain or divest an interest in real estate or a business opportunity as a buyer, seller, landlord, tenant, option grantee or option grantor;

(13) "Person" means and includes individuals, corporations, partnerships or associations, foreign and domestic;

(14) "Real estate" means and includes leaseholds, as well as any other interest or estate in land, whether corporeal, incorporeal, freehold or non-freehold, and whether the real estate is situated in this state or elsewhere;

(15) "Time-share salesperson" means any person acting as a seller of any time-share interval

under contract with or control of a licensed real estate broker pursuant to a registered time-share program. Notwithstanding any law to the contrary, a licensed broker or affiliate broker is entitled to sell time-share intervals pursuant to a registered time-share program; and

(16) "Transaction" means the purchase, sale, rental or option of an interest in real estate or business opportunity.

HISTORY*: Acts 1973, ch. 181, § 3; 1981, ch. 372, § 32; 1981, ch. 473, § 1; T.C.A., § 62-1302; Acts 1989, ch. 89, § 1; 1995, ch. 246, § 1; 1996, ch. 772, §§ 1-3; 2002, ch. 812, § 1.*

NOTES:

TREC Education Information

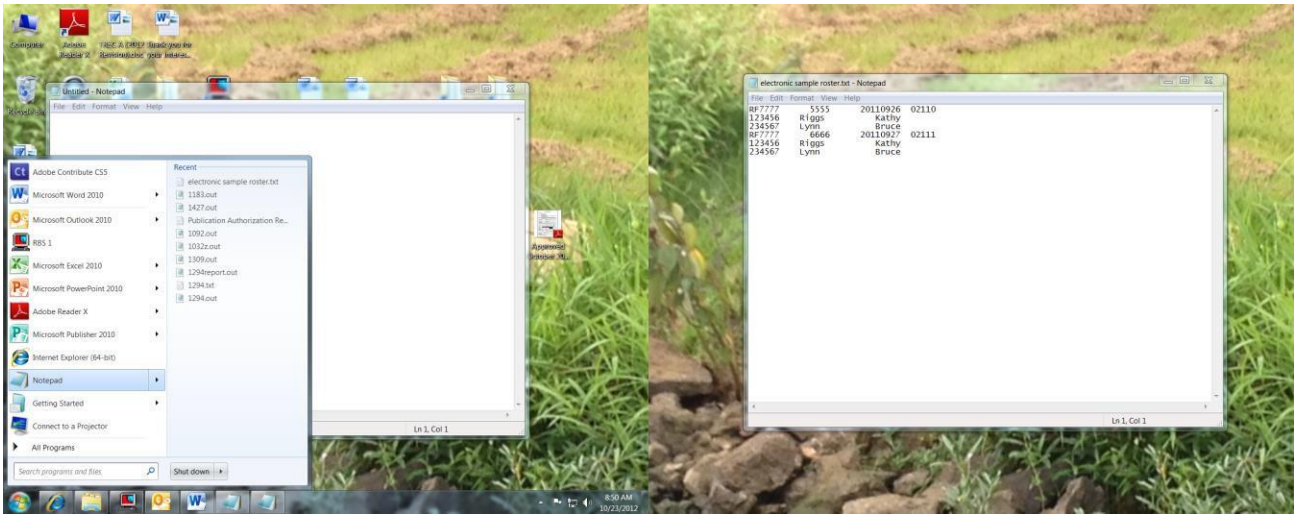
All TREC approved education shall be offered and open to any licensee. However, no course in real estate which is approved by TREC shall be conducted in a facility which is also utilized for conducting business of a broker or brokerage firm or advertised in conjunction with any advertisement for the business of a broker or brokerage firm. TREC has the authority to audit any TREC approved education.

TREC allows licensees to receive continuing education credit for attending the monthly TREC business meeting and attendance at annual seminars held around the state. Check the TREC website for meeting and seminar dates. To make arrangements to attend, please e-mail Trec.education@tn.gov

Uploading Rosters

Providers are required to submit to TREC successfully completed education within ten (10) working days. The provider will create a roster in the Notepad program of all licensees who complete an approved course. The roster shall include the name and license/file identification number of each licensee. A Social Security number is not required but is often used to clarify any licensing mistakes.

- From the Start Icon, open the Notepad Program
- Using only the SPACE BAR to move the cursor along, follow these spacing directions for the required information
- RF will begin every roster and will occupy spaces 1 and 2
- Follow these spacing directions to complete the roster. Your roster should look like the one provided below. You may save a template to your computer to expedite future rosters.
    - RF (spaces 1 &2)
    - Provider number- assigned by TREC (spaces 3-12)
    - Course number – assigned by TREC (spaces 13-22)
    - Course completion date – yyyymmdd (spaces 23- 32)
    - Roster number – begins with year and should increase numerically (spaces 33-39)
        - Under RF, input licensee information
    - File ID- licensee number (spaces 1-10)
    - Last name – as on record with TREC (spaces 11-25)
    - First name – as on record with TREC (spaces 26-40)
    - SSN – not mandatory but required for clarification (spaces 41-50)
- Save file with your provider number.txt and e-mail to Trec.education@tn.gov



Please review the TREC Education rule on records, rosters, and the responsibility of licensees registering for an approved course below.

Maintaining Education Records

Rule 1260-5-.07 Records

(1) The sponsor of any course(s) approved by the Commission shall maintain accurate and permanent records on all students enrolled in such course(s). The records shall include all information and ratings considered in determining whether students successfully complete such course(s). Such records shall be made available upon request by the Commission or its authorized representative.
(2) It shall be the responsibility of each licensee to provide his file identification number at the time of registration for any Tennessee Real Estate Commission approved continuing education course for affiliate brokers, or post licensing course for brokers. If the licensee fails to provide his file identification number to the sponsor, he may not receive credit for the course from the Tennessee Real Estate Commission.
(3) Each sponsor of any Commission approved continuing education course for affiliate brokers, or post licensing course for brokers, shall submit to the Commission, within ten (10) working days of the completion of the course, a roster of all students who successfully complete each course. The roster shall include the name and license/file identification number of each student. This information shall be provided in a roster format approved by the Commission.

The TREC Education page has a link for approved courses and providers. Please review your information after receiving approval from TREC to ensure the information displayed is accurate and notify TREC of any changes required. The approval periods for courses are for two calendar years. Ensure any courses sold to a licensee such as correspondence and TREC Core Courses that are date specific are graded and submitted to TREC.

In rare cases, TREC has had to withdraw approval of approved courses. Please review this ability to withdraw approval:

Rule 1260-5-.10 Withdrawal of Approval

Approval of any course(s) may be withdrawn by the
Commission if:

(1) (a) the establishment or conduct of a course violates, or fails to meet the requirements of,
the provisions of this chapter or other applicable law.
(b) the information contained in the application for approval is materially inaccurate or misleading;
(c) he sponsor, an instructor, or any other school representative disseminates false or misleading information concerning any course;
(d) the sponsor, an instructor, or any other school representative possesses, claims to possess, reveals, or distributes any questions utilized in examinations given by the Commission; or
(e) he performance of the instructor is so deficient as to impair significantly the value of a course; provided, however, that the instructor shall receive adequate notice of the discovered deficiency and opportunity to demonstrate satisfactory correction thereof.

Notes:

Additional Resources

The sites listed below are listed with permission and may be helpful tools when preparing your course materials:

- Official page of the Tennessee Real Estate Commission https://tn.gov/commerce/section/real-estate-commission
- Education page of the Tennessee Real Estate Commission
- https://tn.gov/commerce/topic/rec-education
- Locate a license number or education history http://verify.tn.gov
- Kathy Schrock's Bloom's Taxonomy revised http://www.schrockguide.net/bloomin-apps
- A Guide To Tennessee's Agency Law http://riskreduction.wikispaces.com/file/view/Guide_To_TN_AgencyLaw.pdf
- Rice Insurance Services Company, LLC (RISC) http://www.risceo.com/Tennessee/tn_home.htm
- Tennessee Landlord and Tenant Act Brochure, Tennessee Consumer Affairs Division http://tn.gov/consumer/documents/LandlordTenantBrochure.pdf
- Tennessee Real Estate Laws provided by Michie's Legal Resources http://www.tn.gov/commerce/boards/trec/law.shtml
- Tennessee Real Estate Commission Rules http://www.tn.gov/sos/rules/1260/1260.htm
- Tennessee Real Estate Frequently Asked Questions http://www.tn.gov/commerce/boards/trec/documents/FAQ.pdf
- Adams, Katherine, and Galanes, Gloria J. Communicating in Groups: Application and Skills, Seventh Edition. New York: McGraw Hill, 2009. Print.
- Brilhart, John K., Galanes, Gloria J., Adams, Katherine. *Effective Group Discussion: Theory and Practice*, Tenth Edition. New York: McGraw- Hill, 2001. Print
- http://www.teachervision.fen.com
- htt p:/ /en.wiki pedia.org/w iki /Bloom 's_Tax onom y
- http://projects.coe.uga.edu
- TREC approved course #4710 Learning Centered Instruction sponsored by Tennessee Association of REALTORS®

AFFIDAVIT OF INSTRUCTOR

STATE OF_____)
)
COUNTY OF_____)

I,_____, having first been duly sworn, do depose and state the following:

1. I have completed a Tennessee Real Estate Commission approved course in instructor training as required by T.C.A. § 62-13-324(a)(1) by reading the Tennessee Real Estate Commission Instructor Training Manual in its entirety.
2. My reading of the Tennessee Real Estate Commission Instructor Training Manual has provided me with an understanding of the provisions contained therein.
3. While acting as the instructor of any real estate course, I agree to follow the provisions of the Tennessee Real Estate Commission Instructor Training Manual.

FURTHER AFFIANT SAITH NOT.

_____

SWORN TO AND SUBSCRIBED before me on this day of , 20_____.

_____
Notary Public

My Commission Expires: _____