

CHAPTER 520-2

STANDARDS FOR REAL ESTATE COURSES

RULES
OF
GEORGIA REAL ESTATE COMMISSION

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(1) Approved Courses. The Commission intends that all approved courses be educational in nature. Schools should not specifically orient approved courses to the passing of state licensing examinations or other examinations. The courses should introduce students to the language of the profession and basic theory underlying the duties and responsibilities of real estate licensees. They should also seek to improve licensee's skills in handling the normal business activities of a licensee. Approved courses must require practice in the skills being taught and provide a significant number of exercises for practice of those skills. All courses should make students aware of the need for further study and the perfection of practical skills.

An approved school may not hold out a course as approved until the course is posted on the Commission's electronic record of the school's courses or the school receives a certificate of approval from the Commission.

(2) Instructors. Only instructors approved by the Commission under the standards of this Chapter may instruct Salespersons Prelicense, Brokers Prelicense, or Community Association Managers Prelicense courses. Only instructors with appropriate experience and knowledge of the content areas of Salespersons Postlicense or continuing education courses may teach these courses.

(3) Hours of Instruction. For all courses approved under this chapter, an in-class hour is defined as sixty (60) minutes of instruction. In-class instruction

and testing in any course shall not exceed seven and one half (7.5) hours per day. The school shall hold all in-class instruction between the hours of 7:00 a.m. and 10:00 p.m. with breaks totaling at least fifteen (15) minutes every two hours. The schedule must allow reasonable time for preparation for each classroom session. All in-class instruction for Brokers Prelicense course students shall be separate from all in-class instruction for Salespersons Prelicense course students.

Instructors shall utilize no more than thirty minutes of audio or video material toward meeting any required in-class (or make-up) hours of instruction unless the Commission grants written authorization for such material prior to its use.

(4) Documentation Required for Approved Courses. For each approved prelicense, postlicense, or continuing education course, the approved school must maintain and make readily available to an authorized representative of the Commission the following documentation:

- (a) Course Outline. The school must maintain a detailed course outline that identifies the hours to be spent on each subject area to be covered in the course and all planned exercises that students are required to complete;
- (b) Learning Objectives. The school must maintain a detailed list of learning objectives for each instructional hour of the course. A learning objective is part of the overall goal of the course. An objective states, in terms that can be measured, what the student should be able to do, explain, or demonstrate upon mastery of the content of each hour of instruction.
- (c) Texts. The school must maintain a list of text materials utilized in the course;
- (d) Evaluation Materials. The school must maintain copies of daily tests, final examinations, or other materials used to evaluate student performance;
- (e) Student Records. The school must maintain records that identify each student and the student's attendance record and final grade for any course; and
- (f) Course Evaluations. The school must maintain written summaries of student evaluations of the courses.

(5) Ethics. Every course offered by an approved school for prelicense, postlicense, or continuing education credit must include acknowledgment and coverage of the ethical implications of the subject matter of the course.

(6) Prelicense and Postlicense Courses.

- (a) Community Association Managers Prelicense Course. An approved Community Association Managers Prelicense Course must provide for a minimum of twenty-five hours of instruction. Schools may not count time students spend on breaks as part of in-class instruction time. Time students spend in taking graded exercises and tests or final examinations may not constitute more than ten percent of in-class instruction time. The course must cover fundamentals in the following areas:
1. property law including Georgia laws on common interest ownership, public rights and limitations, and fair housing laws;
 2. forms of ownership including planned unit development (PUD), home owner's associations, condominiums, cooperatives, timeshares, townhouses, and master association relationships and how to interpret community association governing documents;
 3. contracts and transaction documents including the content and negotiation of management agreements, the nature and content of insurance documents, and resale certificates;
 4. real estate instruments and conveyances including notices, proxies, and liens and amendments to documents and the requirements for reinstatement;
 5. law of agency including identifying and understanding agency relationships and duties between community association managers and association boards, members, and tenants of members; single and dual agency; and agency disclosure;

6. financing instruments and basic accounting practices including principles of accounting for trust accounts, for common interest associations, and for lender requirements for recertification;
7. Georgia real estate license law;
8. ethics in community association management;
9. environmental laws;
10. safety precautions; and/or
11. such other areas as the Commission may from time to time require or authorize.

(b) Salespersons Prelicense Course. An approved Salespersons Prelicense Course must provide for a minimum of seventy-five in-class hours of instruction. Schools may not count time students spend on breaks as part of the required instruction time. Time students spend in taking graded exercises and tests or final examinations may not constitute more than ten percent of the required instruction time. The course must cover fundamentals in the following areas:

1. real estate contracts including completing and presenting form real estate sales contracts with extensive practice with problems involving new FHA, VA, and conventional loans; loan assumptions; brokerage engagements; and leases (students must demonstrate proficiency in completing such form contracts by passing a school developed and administered test or by satisfying such other assessment measurements established by the school as the Commission may authorize);
2. real estate instruments and conveyances;
3. closing procedures (RESPA) including a salesperson's responsibilities at a loan closing conducted by someone else and an explanation of

standard closing procedures and documents used in the salesperson's services area;

4. law of agency including agency disclosure;
5. pricing real property (students must demonstrate proficiency in preparing forms which document such pricing by passing a school developed and administered test or by satisfying such other assessment measurements established by the school as the Commission may authorize);
6. real estate financing including extensive practice in estimating costs of selling and purchasing property and estimating monthly payments (students must demonstrate proficiency in completing forms which document such estimates by passing a school developed and administered test or by satisfying such other assessment measurements established by the school as the Commission may authorize);
 - 6.1. Georgia's Residential Mortgage Fraud law and methods for identifying possible fraud in transactions and properly reporting alleged fraud;
7. community association management activities and property management activities;
8. environmental laws;
9. taxation;
10. city and urban development;
11. fair housing;
12. anti-trust laws;
13. safety precautions;
14. Georgia's real estate license law; and/or

15. such other areas as the Commission may from time to time require or authorize.
- (c) Sales Postlicense Course. A Sales Postlicense Course must provide for a minimum of twenty-five in-class hours of instruction. Schools may not count time students spend on breaks as part of the required instruction time. Time students spend in taking graded exercises and tests or final examinations may not constitute more than ten percent of the required instruction time. The curriculum of the course must focus on legal fundamentals and/or basic practices in sales or management of residential, agricultural, commercial, or industrial properties. If the subject matter of the course addresses residential sales, then the course must include a component on Georgia's Residential Mortgage Fraud law and methods for identifying possible fraud in transactions and properly reporting alleged fraud.
- (d) Brokers Prelicense Course. An approved Brokers Prelicense Course must provide for a minimum of sixty in-class hours of instruction. Schools may not count time students spend on breaks as part of the required instruction time. Time students spend in taking graded exercises and tests or the final examination may not constitute more than ten percent of the required instruction time. The Brokers Prelicense Course must review all subject areas covered in the Salespersons Prelicense Course so that students may learn advanced concepts in those areas. In addition, the course must include significant components covering conducting loan closings, real estate office management, personnel policies, trust account record keeping, discharging a broker's responsibility for associate licensees, and/or such other areas as the Commission may from time to time require or authorize.
- (e) Additional Subjects. Schools may offer units of instruction on subjects other than those required for courses cited in this rule only with prior written authorization from the Commission.
- (f) Reading Assignments and Exercises. For all prelicense and postlicense courses cited in this Rule, schools must include with each instructional unit appropriate reading assignments for completion out of class. The school shall also require that

students complete out of class extensive written exercises that the school grades.

1. Student Certifications. Each out of class written assignment a student submits for grading must include the following:

I certify that I have personally completed this assignment.

Date

Student's Signature

2. The school shall refuse to grade any out of class written assignment on which the student does not sign this statement.
3. An approved instructor and/or the school coordinator/director must grade the written course work required of students.

(7) Continuing Education Courses. Every approved school must offer every calendar year a course designed to help licensees meet the continuing education requirements of O.C.G.A. § 43-40-8 (e). This course or courses shall be in addition to the Community Association Managers Prelicense, Salespersons Prelicense, Sales Postlicense, or Brokers Prelicense Course.

- (a) Duration of Classes. No school may offer a continuing education course of fewer than three credit hours. A credit hour is defined as sixty (60) minutes of instruction. In-class instruction and testing in any course must not exceed seven and one half (7.5) hours per day.
- (b) Subject Areas. Any continuing education course which does not seek to improve knowledge and skills in real estate brokerage activity in the subject areas listed in paragraph (6) this Rule must have the prior written authorization of the Commission.
- (c) Courses Exceeding 24 Hours. The Commission will accept

any course for continuing education credit that exceeds twenty-four classroom hours in length only if such course also meets all requirements for approval as a sales postlicense course.

- (d) Repeating Courses. A licensee who has successfully completed an approved course to meet any part of such licensee's continuing education credit may not repeat that course unless at least one full year has passed since the completion of that course.

(8) Teaching Methods. While instructors may use such teaching methods as lecture, discussion, questions and answers, etc. in in-class sessions, instruction should also include role play, simulations, or other similar instructional techniques designed to assist students in mastering such skills as writing offers, presenting offers, calculating costs, pricing property, and complying with fair housing laws.

(9) Interactive Instruction Required. Schools must present courses to students through interactive instructional techniques. Examples of interactive instruction include such teaching techniques as providing a student (1) the opportunity for immediate exchange with an instructor in a classroom setting and (2) immediate assessment and remediation through computer assisted or other audio or audiovisual interactive instruction. Schools shall not attempt to provide instruction primarily by having students (a) read text material, (b) listen to audio tapes, (c) watch video tapes or films, or (d) study questions similar to those on the state licensing examinations or by combining elements of (a) through (d) above.

(10) Distance Education Courses. Distance education is comprised of courses in which instruction does not take place in a traditional classroom setting but rather through other media in which teacher and student are separated by distance and sometimes by time. Distance education courses are generally delivered through such media as telecommunications or by computer.

The Commission approves distance education courses:

- (a) that meet all of the requirements of this chapter, or
- (b) for which the applicant provides satisfactory documentation that the Association of Real Estate License Law Officials (ARELLO) has certified the course as meeting its distance education standards. Any Commission approval based on

such an ARELLO certification will cease immediately upon notice from ARELLO that certification of the course has been discontinued for any reason.

In distance education courses, an credit hour is defined as sixty (60) minutes of instruction.

(11) Computer-Based Courses. The Commission approves the offering of computer-based courses that meet the specific standards of this rule and all other applicable requirements of this Chapter.

- (a) Teach to Mastery. Every course approved under this Rule must teach to mastery. Teaching to mastery means that the course must, as a minimum:
 - 1. divide the material into major units as approved by the Commission;
 - 2. divide each of the major units of content into modules of instruction for delivery on a computer;
 - 3. specify the learning objectives for each module of instruction. The learning objectives must be comprehensive enough to insure that if all the objectives are met, the entire content of the course will be mastered;
 - 4. specify an objective, quantitative criterion for mastery used for each learning objective;
 - 5. implement a structured learning method by which each student is able to attain each learning objective;
 - 6. provide means of diagnostic assessment of each student's performance on an ongoing basis during each module of instruction;
 - (i) this assessment process must measure what each student has learned and not learned at regular intervals throughout each module of instruction, and

- (ii) the diagnostic assessment must specifically assess the mastery of each concept covered in the content material.
 - 7. provide a means of tailoring the instruction to the needs of each student as identified in 5.above. The process of tailoring the instruction must insure that each student receives adequate remediation for specific deficiencies identified by the diagnostic assessment;
 - 8. continue the appropriate remediation on an individualized basis until the student demonstrates achievement of each mastery criterion;
 - 9. require that the student demonstrate mastery of all material covered by the learning objectives for the module before the module is completed; and
 - 10. consist of interactive computer-based instructional material which will reasonably require a student completing the course to expend the number of hours for which the course is approved.
- (b) Documentation of Methodology. Prior to the development of specific computer-based courses to be offered to meet prelicense, postlicense, and continuing education requirements, a school must submit to the Commission for its approval satisfactory documentation of the method by which each element of mastery in paragraph (a)of this Rule is to be accomplished. If the Commission authorizes that method, the school may utilize that method in developing any courses it may offer to meet licensees' education requirements under this chapter. The rationale for the educational processes implemented with computer-based study must be based on sound instructional strategies that have been systematically designed and proven effective through educational research and development. The basis and rationale for any proposed instructional approach must be specified in any request for approval.
- (c) Required Testing and Evaluation of Courses. Courses

approved under this Rule must also meet the criteria outlined in this Rule except those covering in-class instruction. Except where the Commission has granted permission in writing to do otherwise, persons developing computer-based courses must:

1. when developing prelicense courses for salespersons and community associations managers, utilize at least nine persons in testing programs in order to evaluate for the developer the quality of content and the user friendliness of software and hardware. Of those nine persons, at least three must be unlicensed, at least three must be licensed salespersons or community association managers, and at least six must be non-educators. Persons developing any other courses for education credit for licensees must utilize at least six persons in testing programs in order to evaluate for the developer the quality of the content and the user friendliness of software and hardware. Of those six persons at least four must be non-educators and no more than two may be brokers, unless the course will only be offered to brokers. Persons developing such courses must document that those testing the programs have varying skill and knowledge levels of computers and real estate; and
2. make reasonably available to an authorized representative of the Commission documentation on the development and testing processes utilized in its computer-based courses.

(d) The following types of programs will not be deemed as meeting the requirements of this Rule:

1. those which consist primarily of text material presented on a computer or other audio or audiovisual programs rather than in printed material;
2. those which consist primarily of questions similar to those on the state licensing examination;
3. those which consist primarily of combinations of the elements in 1. and 2. above.

- (e) An approved instructor and/or the school coordinator/director must supervise the grading of the written course work required of students in computer-based courses.

- (f) Every computer-based course for the Community Association Managers Prelicense Course must consist of interactive computer-based programs which will reasonably require the student to expend at least twenty-five hours in completing the content areas identified in paragraph (5) of this Rule. Every computer-based course for the Salespersons Prelicense course must consist of interactive computer-based programs which will reasonably require the student to expend seventy-five hours in completing the content areas identified in paragraph (5) of this Rule. Every computer-based course for the Sales Postlicense Course must consist of interactive computer-based programs which will reasonably require the student to expend twenty-five hours in completing the content areas identified in paragraph (5) of this Rule. Every computer-based course for the Brokers Prelicense course must consist of interactive computer-based programs which will reasonably require the student to expend sixty hours in completing the content areas identified in paragraph (5) of this Rule. Every computer-based course for continuing education must consist of interactive computer-based instructional material that will reasonably require the student completing the course to expend the number of hours for which the course is approved.

- (g) Every school offering an approved computer-based course must offer those courses under an instructor. For the Community Association Managers, Salespersons Prelicense, and Brokers Prelicense courses, the school must offer those courses under an approved instructor. Every instructor in a computer-based course must:
 - 1. be available to answer students' questions or provide them assistance as necessary;
 - 2. provide reasonable oversight of students' work in order to insure that the student who completes the work is the student who is enrolled in the course;

3. certify students as successfully completing a computer-based course only if the student:
 - (i) has completed all instructional modules required to demonstrate mastery of the material,
 - (ii) has attended any hours of live instruction and/or testing required for a given course, and
 - (iii) has passed the final examination for the Community Association Managers, Salespersons Prelicense, Sales Postlicense, Brokers Prelicense or any test required by a continuing education course.

4. obtain from each student the following certification statement:

I certify that I have personally completed each assigned module of instruction. I understand that if any other person has completed any module of instruction or any part of this course required for completion of the course, the school may not award credit for the course or may withdraw credit already awarded for the course.

Date

Student's Signature

A school or instructor may permit a student to complete this statement in an electronic or internet format in any approved computer-based or distance learning course. A school must provide prior documentation or demonstration to the Commission of the method by which the school will acquire this statement. The Commission must authorize the method of requiring this certification.

(h) Schools may provide homework exercises, contract forms, or other assessment exercises required in approved courses in a computer-based or internet delivery format. A school must provide prior documentation

or demonstration to the Commission of the delivery methods prior to offering such exercises or assessments. The Commission must authorize the delivery method offered by the school.

(i) Schools may permit students in approved computer-based or distance-learning courses to complete written homework exercises, standard forms, or other assessment exercises. Each written assignment a student submits for completion of a computer-based or distance learning course must include the following:

“I certify that I have personally completed this assignment. I understand that if any other person has completed any assignment, contract form, or other written assessment required for completion of the course, the school may not award credit for the course or may withdraw credit already awarded for the course.”

Date

Students' s Signature

(12) Course Examinations. Every approved Community Association Managers Prelicense, Salespersons Prelicense, Sales Postlicense, and Brokers Prelicense Courses must conclude with an examination administered by the approved school.

- (a) Scheduling. Schools shall administer final examinations for every approved Salesperson Prelicense and Brokers Prelicense Courses on a day when the course holds no in-class instruction. Schools may administer final examinations for every Community Association Managers Prelicense Course and Salespersons Postlicense Course on the last day of in-class instruction.
- (b) Passing Score. On final examinations administered for Community Association Managers Prelicense, Salespersons Prelicense, Sales Postlicense, and Brokers Prelicense Courses, schools must require that students achieve a passing score on the final examination that is consistent with the passing score required on state qualifying examinations for these licenses unless a school has first obtained the written permission of the

Commission to require a different passing score.

- (c) Retaking a Course Examination. Schools may elect to allow any student who fails to achieve a passing score to take another examination on another day without repeating instruction. If a student fails to achieve a passing score on a second final examination, the student must repeat all instruction of that course before taking another examination.
- (d) Security. Schools must maintain at least two forms of a final examination for each approved course and must provide the Commission, upon its request, with reasonable assurances that examinations are secure from distribution to students except upon administration of an examination. These final examinations are evaluation tools, not teaching tools. While schools may supply students with information regarding their individual proficiency in areas of the examination, they must not review specific questions from these examinations with students. The Commission may impose any sanction permitted by law on the approval of any school and/or instructor which fails to provide proper security for examinations.
- (e) Content Areas for Salespersons Prelicense Examination. The final examination for the Salespersons Prelicense Course must include at least five (5) questions each on (a) brokerage engagements, (b) legal descriptions and legal aspects of contracts, (c) methods of payment and earnest money, (d) special stipulations and writing sales contracts, (e) leases and fair housing, (f) licensees acting as principals, (g) anti-trust laws, (h) basic finance, (i) loan types, (j) pricing property, (k) seller's costs, (l) qualifying purchasers and purchaser's costs, (m) contract closing, and (n) such other matters as the Commission may from time to time require or authorize.
- (f) Examination Formats. Final Examinations for prelicense and postlicense courses should attempt to measure the student's competence in the knowledge or skills taught in the approved course. A school shall not be required to submit a course final examination to the Commission if: (1) the examination consists of multiple choice questions with a minimum of four choices of answers for each question; (2) the final examination for the

Salespersons Prelicense Course and the Brokers Prelicense Course consists of no fewer than one hundred questions; and (3) the final examination for the Community Association Managers Prelicense Course and the Sales Postlicense Course consists of no fewer than fifty questions. A school must submit to the Commission for approval any course final examination that does not meet the above criteria prior to the examination's being administered for the approved course.

- (g) Proctoring. Schools must provide proctors for all final examinations for prelicense and postlicense courses and for any continuing education courses that require the passing of a final examination in order to receive credit for the course. The school director, coordinator, approved instructor, or other person designated by the school director or coordinator may administer or proctor final examinations in approved courses. The school director or coordinator must insure that examinations are conducted according to the requirements of this chapter.

(13) Alternatives for Meeting Prelicense Course Requirements.

- (a) College Courses. Applicants for examination may qualify to sit for examination by presenting college transcripts which show courses in real estate subjects of at least ten quarter hours or six semester hours if the application is for the salesperson's examination or fifteen quarter hours or nine semester hours if the application is for the broker's examination. Applicants for the community association manager's examination may qualify to sit for the examination by presenting college transcripts which show real estate courses of at least four quarter hours or two semester hours with a concentration in community associations and community association management.
 1. Applicants must submit an official transcript at the time of making application for examination; and the applicant may be required to provide a description of the course or courses from the school's catalogue or bulletin.
 2. Only courses which count towards the student's obtaining a major in the field of real estate or courses

dealing with principles, fundamentals, or essentials of real estate and only courses in agency, real property law, and contract law at a school of law will satisfy this requirement. College correspondence courses and courses which qualify for continuing education units do not satisfy the requirements of this rule.

- (b) Credits for Instructors. The Commission shall approve as meeting the education requirements for examination any instructor who submits satisfactory proof that he or she has taught a course or courses named in this rule within two years prior to making application to sit for an examination.
- (c) Sales I, Sales II, and Sales III. Applicants who successfully completed all three of the approved Sales I, Sales II, and Sales III courses prior to January 1, 1993, may present certificates of completion of those courses from approved schools in order to sit for the qualifying examination for a salesperson's license.
- (d) Courses Approved by Other Jurisdictions. Prelicense education courses for community association managers, salespersons, and brokers authorized by the regulatory body that regulates real estate licensees in any state, district, territory, possession, or province of the United States or Canada are approved as meeting the corresponding prelicense education requirements in Georgia provided that such courses are similar in credit hours earned to Commission approved prelicense courses and are offered through classroom instruction or through computer-based instruction that is consistent with the standards of Rule 520-2-.05 of these regulations.

(14) Alternatives for Meeting Continuing Education Requirements. The Commission shall deem a licensee to have met the continuing education requirement of O.C.G.A. § 43-40-8 (e) for a renewal period if the licensee successfully completes in a renewal period any of the following courses which have at least the total number hours of instruction the licensee is required to complete:

- (a) Prelicense and Postlicense Courses. Licensees may obtain continuing education credits by successfully completing during a renewal period a Community Association Managers Prelicense, Salespersons Prelicense, Sales Postlicense, or Brokers Prelicense course.

Salespersons who complete the twenty-five hour Sales Postlicense course in their first year of licensure may count that course as meeting only six hours of the continuing education requirement for the first renewal period. During their first renewal period, such salespersons must complete an additional eighteen hours of continuing education courses in order to renew active licenses.

- (b) College Courses. A licensee may obtain continuing education credit for a renewal period by completing at an accredited college or university any course of four quarter hours or two semester hours
1. which counts toward obtaining a major in the field of real estate or courses dealing with principles, fundamentals, or essentials of real estate;
 2. which counts toward obtaining a major in business administration, accounting, finance, or marketing offered by a college or university accredited by one the regional accrediting associations recognized by the United States Department of Education; and
 3. and any four quarter hour or two semester hour courses in agency, real property law, and contract law at an accredited school of law.

College correspondence courses and courses which qualify for continuing education units may not be used to qualify under this Rule.

- (d) Credits for Instructors. The Commission shall deem the continuing education requirement for a real estate renewal period as met by any instructor who submits satisfactory written proof that he or she has taught any of the courses approved under this paragraph for a total of twenty-four hours during the renewal period in which the instructor is applying for a renewal of a real estate license.
- (e) Non-resident Licensees. The Commission shall deem the continuing education requirement as met by any nonresident

licensee who submits satisfactory written proof that he or she has met the continuing education requirement of his or her state of residence during the renewal period in which the instructor is applying for a renewal of a real estate license. If the state of residence of a nonresident licensee does not require continuing education, then such nonresident licensee must meet the continuing education requirements of a resident licensee.

- (f) Courses Approved by Other Jurisdictions. Continuing education courses authorized by the regulatory body that regulates real estate licensees in any state, district, territory, possession, or province of the United States or Canada may be used to count toward meeting the continuing education requirement for real estate licensees in Georgia. Such courses will be deemed as meeting continuing education requirement only if the courses are offered through classroom instruction or through computer-based instruction that is consistent with the standards for computer based courses or distance education described in this Rule.

(15) Verification of Course Completion. Licensees completing courses approved under this Rule may be required to submit transcripts or other verification of completion which the Commission deems necessary and adequate.

see also O.C.G.A. §§43-40-2, 43-40-8, & 43-40-25.