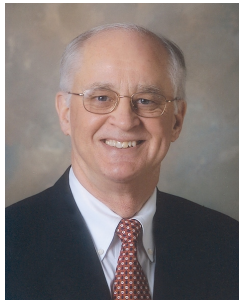


RISK MANAGEMENT INSTRUCTOR TRAINING - JULY 17, 2009

RISK MANAGEMENT training is required of all instructors who will teach Risk Management in the 2009-2010 license period. The course has been rewritten and instructors who did not attend the October 31, 2008 training **MUST ATTEND** this training to receive approval to teach.

Jim Lawrence has been involved in real estate since 1978. He became involved in the Birmingham Association of REALTORS® and was named REALTOR® of the year in 1989.



Jim Lawrence, ABR, ABRM, CRB

He currently is the president of Lawrence-Arendall-Humphries (LAH) Real Estate, Inc. in Birmingham.

AL. Jim is an approved real estate instructor and teaches prelicense and post license courses as well as continuing education courses.

Completion of this course will result in the approval to teach the *Risk Management: That Delicate Balance* course and will also provide six of the twelve hours needed to renew

instructor approval in 2009. We look forward to seeing you on July 17, 2009.

LOCATION

AUM (Auburn University at Montgomery)
Library Tower 10th Floor

REGISTRATION

8:30 a.m.-9:00 a.m.

COURSE TIME

9:00 a.m.-4:00 p.m.

COST

\$95.00 (includes lunch and breaks)

REMEMBER, these hours are not interchangeable with CE hours that are needed to renew your broker license. These CE hours are only applied toward the renewal of your instructor approval that will take place in September 2009.

Take advantage of these great training opportunities and acquire not only hours needed for instructor renewal but also valuable information and knowledge that can be used in the classroom.

REGISTRATION

All participants must register through Auburn University's Outreach Program Office. See registration form or register online at www.auburn.edu/outreach/arec.

LICENSE LAW INSTRUCTOR TRAINING - AUGUST 28, 2009

Charles Sowell, Pat Anderson, and Randy McKinney will provide training on Alabama License Law including Commission interpretation and application of License Law and some tips for teaching the subject. This will assist all instructors in being better prepared for teaching license law CE courses and teaching license law to prelicense and post license students.

Charles serves as the General Counsel for the Commission and Pat has served as Education Director and is currently the Assistant Executive Director. Together they have over 50 years of experience with the Commission.

Randy has over 20 years of

experience as a real estate instructor, broker, and attorney.

This will be an enjoyable and very beneficial instructor training. It will also be the last instructor training offered by the Commission to satisfy the 12 hours required of all prelicense and post license instructors for instructor renewal.

Completion of this course will provide six of the twelve hours needed to renew instructor approval in 2009. We look forward to seeing you on August 28, 2009.

LOCATION

AUM (Auburn University at Montgomery) Taylor Center
Rooms 222 & 223

REGISTRATION

8:30 a.m.-9:00 a.m.

COURSE TIME

9:00 a.m.-4:00 p.m.

COST

\$95.00 (includes lunch and breaks)



Charles Sowell



Pat Anderson



Randy McKinney

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REGISTRATION FORM

Risk Management: That Delicate Balance
Sponsored by the Alabama Real Estate Commission
Presented by Jim Lawrence

Friday, July 17, 2009 9:00 a.m. – 4:00 p.m.

Location: AUM Library Tower – 10th Floor (Montgomery, AL)

REGISTRANT INFORMATION

Social Security Number _____

Name _____
LAST FIRST MI

Address _____
CITY STATE ZIP CODE

Phone _____ Fax _____

Email Address _____

NAME AND AFFILIATION PREFERENCE FOR NAME TAG

COURSE INFORMATION

Lunch will be provided.

(\$ 95) ***Risk Management: That Delicate Balance***– Received by July 2, 2009

(\$130) ***Risk Management: That Delicate Balance***– Received after July 2, 2009

FOUR EASY WAYS TO REGISTER

FAX this form to 334/844-3101

CALL in your information to 334/844-5100

MAIL this form to Outreach Program Office, 301 O.D. Smith Hall, Auburn, AL 36849

WEB online at www.auburn.edu/outreach/arec

PAYMENT INFORMATION

Check Money Order MasterCard Visa Purchase Order

Expiration Date _____ Card or Purchase Order Number _____

Authorized Signature _____

Registrations received via FAX, email or telephone MUST contain a credit card number or purchase order number. Otherwise, you will not be considered registered.

MAKE CHECKS PAYABLE TO AUBURN UNIVERSITY

TOTAL ENCLOSED _____

CANCELLATIONS and REFUNDS

Written refund requests received no later than seven days prior to the program will result in a refund of fees less a \$15 administration charge. Refund requests received after that cannot be honored. A substitute participant may be designated in place of a registrant who cannot attend. Auburn University and the Outreach Program Office reserve the right to cancel, postpone, or combine workshop sections, to limit registration, or to change instructors or speakers.

This program is designed to be accessible to all who wish to attend. Should you have a special need, please call 334.844.5100.

REGISTRATION FORM

License Law

Sponsored by the Alabama Real Estate Commission
Presented by Pat Anderson, Charles Sowell, and Randy McKinney
Friday, August 28, 2009 9:00 a.m. – 4:00 p.m.

Location: AUM Taylor Center – Rooms 222 & 223 (Montgomery, AL)

REGISTRANT INFORMATION

Social Security Number _____

Name _____
LAST FIRST MI

Address _____
CITY STATE ZIP CODE

Phone _____ Fax _____

Email Address _____

NAME AND AFFILIATION PREFERENCE FOR NAME TAG

COURSE INFORMATION

Lunch will be provided.

- (\$ 95) *License Law – Received by August 14, 2009*
- (\$130) *License Law – Received after August 14, 2009*

FOUR EASY WAYS TO REGISTER

FAX this form to 334/844-3101

CALL in your information to 334/844-5100

MAIL this form to Outreach Program Office, 301 O.D. Smith Hall, Auburn, AL 36849

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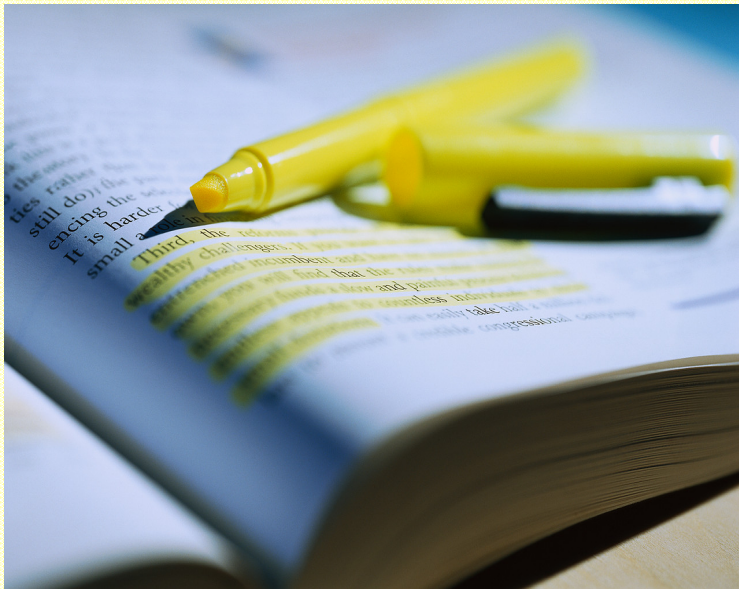
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FROM THE AUTHOR TO THE INSTRUCTORS OF THE NEW RISK MANAGEMENT COURSE

By JIM LAWRENCE



I have done you a great disservice. When I taught the instructor class for the new Risk Management course at AUM on October 31st of last year, I told you that I had written too much material for the three hour course. Now that I have taught the new course twice, I realize that I was wrong. I have burdened you with WAY TOO MUCH material for a three hour course. In both instances, I barely got past the first section on Property Disclosure. Sure, it is perhaps the most important section of the course relating to minimizing risks to legal exposure, but the other parts – Alabama License Law, Agency, Contracts, Anti-trust, and Fair Housing – are also significant and need to be taught.

Several people who attended those first classes suggested that this course be, at a minimum, a six hour course.

So be forewarned. You will probably not cover the new material in a three hour session. I am going to teach it a third time this week (*i.e. last week of April*). To optimize the presentation, I am going to read less from the printed text and teach to the PowerPoint presentation. I will give each student a three-slide-per-sheet handout for their note taking. I believe this presentation technique will allow the class to cover more of the material. I am going to treat the printed manual more like an instructor's manual.

Let me also address the "situations" that appear at the conclusion of almost every section in the course. The purpose of these "situations" is to stimulate thinking and conversation, not to determine perfection among the students. No one should "keep score." Making 100 is not the point. As the instructions state, more

than one answer may be correct. Also, you as instructors and practitioners may disagree with some of my choices. If you can adequately defend your position, then your answer may be just as "right" as mine. As I see it, the answers are #1-B; #2-A; #3-D; #4-C; #5-A; #6-C; #7-B,C,D; #8-C; #9-A; #10-C; #11-A; #12-B; #13-A; #14-D; #15-C; #16-D; #17-D; #18-C; #19-A; #20-D.

There are also some very wrong answers. These are answers describing actions that all licensees should avoid but are often practiced by agents who are asking for trouble. These incorrect answers were included as good teaching points; emphasize the "wrongness" of these answers.

The Alabama Center for Real Estate (ACRE) has now printed the student's manual. How do you tell which is the student's manual? Easy. The text is printed on both sides of the page, front and back. The earlier version of the student's manual had the words "Red Flags and Paper Trails" incorrectly displayed on the cover. The course is correctly titled "Risk Management: That Delicate Balance." This has been corrected. The student's manual also contains corrections of errors that you caught during the instructor training session in Montgomery and reported to me. On page 13, the third line under Vicarious Liability has been corrected to read "or the listing agent might be vulnerable...." The word "be" has been added. On page 24, the fourth paragraph containing

the incorrect information inside the parentheses (pp. 4-7) has been corrected to read (pp. 8-21). On page 37, third line from the top, the corrected copy reads "you must present all written offers...." The important word "written" has been added. On page 46, the last line of the Contingency Contracts paragraph now reads, "The failure to disclose an existing contract is unethical, not illegal." "Contract," not "offer." On page 65, sixth line of the *Leatherwood v. Baker* case should read "the damage became major." Not "become." Also, allow me to update the conclusion to the *Cruse v. Harris/Coldwell Banker* case on page 62. First, delete the last line – "The case is still pending" – it is not. And six lines above that deletion should read, "However, on appeal, the higher court felt...." Then, three lines down, the corrected text reads, "In describing the house as 'new,' the higher court felt...." These corrections are not in the student's manual either.

Sorry to burden you with all this, but I felt like you would want to know. This fourth edition should be around for awhile, and it will continue to evolve. Please contact me at jiml@lahrealestate.com with other corrections, suggestions, and advice. This is our course, not my course. It must be as efficient and as effective as possible so as to reduce risks for our brokers and salespeople throughout the state.

LEGISLATORS PASS TWO BILLS AFFECTING REAL ESTATE LICENSE LAW

We are pleased to report that the Alabama Legislature has passed the two AREC/AAR bills of mutual interest and they have been signed by Governor Riley. The bills become effective the first of August.

SB 23, now Act 2009-617 requires those making application for a reciprocal license to take six hours of Commission -approved course work and pass the state portion of the exam in order to have a reciprocal real estate license issued. The bill

also amends the size of letter requirement to language that the company or broker's name must "prominently" appear with the sales or broker associate's name in advertising.

HB 428, now Act 2009-581 establishes licensing authority for real estate schools and instructors solely with the Real Estate Commission. This means that schools and instructors will no longer be subject to the private school licensing administered by the Department of Postsecondary Education

after August 1, 2009.

As you might imagine, there are numerous details that have to be worked out concerning the implementation of these two bills including amendments to existing rules and regulations. The Commission will be working diligently over the next few weeks on this and will inform you as details become available. We commend our instructors on the proactive stance taken on both of these bills and the hard work that went into getting these bills passed.

LICENSING PROCESS AND DEADLINES FORM

Please make sure your prelicense and post license students know that they **DO NOT** send the Licensing Process and Deadlines Form to the Commission.

We are continuing to receive faxed forms. These forms need to be kept on file at the school and a copy given to each student for future reference. The Commission will check these on school audits only and does not need them to be faxed in by students.

Please make this clear to all of your students.

EDUCATION ADVISORY COMMITTEE FORMED

In the ongoing effort to increase the quality and consistency of professional real estate education for licensee candidates as well as for all seasoned practitioners, the Commission has recently appointed an Education Advisory Committee. The members appointed to this committee are all real estate school representatives and instructors from across the state. They will serve three-year terms with one-third of the members appointed each year. The mission is to provide input and to work closely with Commission staff members to identify needs and help improve methods of teaching and to assess the knowledge and ability of licensees to serve and protect the consumer.

The first meeting of the committee was May 1 and the next will be August 27. The



entire committee will meet quarterly, but subcommittees, which may be appointed from time to time, will work and meet together as often as needed. The first three subcommittees will focus on (1) an evaluation of the overall education program, (2)

strengthening post license course assessment methods, and (3) developing training techniques in the broker prelicense course for simulation exam preparation.

The initial members of the Education Advisory Committee include one-year appointees

John Rice of Opelika, **Larry Carroll** of Madison, and **Alicia White** of Birmingham. Two-year appointees include **Glenn Henry** of Montgomery, **Judi Toran** of Daphne, and **Susan Vierkandt** of Dothan. Three-year appointees include **Rebecca Green** of Birmingham, **Jeanne LaMere** (DE) of Atlanta, and **Earl Martin** of Montgomery.

The advisory committee members earnestly request comments and suggestions about any matter related to education of real estate licensees in Alabama. Constructive criticism is more than welcome. Please share your comments with any member of the education advisory committee or email Earl Martin, communication coordinator for the group, at earl@martinfellowsinc.com.



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ONLINE COURSE APPLICATIONS WHICH COURSES MUST BE SUBMITTED?

The Commission went to the online course application for courses on March 1. A few questions have arisen from instructors so we would like to clarify a few items in this article.

ALL distance education (DE) courses must be submitted online for approval. This is true for both primary and secondary providers.

The Risk Management: That Delicate Balance course to be offered in the classroom is not submitted for approval. Once instructors attend the Risk Management instructor training they are automatically approved to teach the course without submitting it for approval.

Salesperson Prelicense, Post License, and Broker Prelicense courses offered in the classroom are not submitted for approval. Once an individual is approved as a Prelicense/Post License instructor, he/she is automatically approved to teach these three courses.

All continuing education courses offered in the classroom must be submitted through the online application for approval.

If you have any questions about course approval, please contact the Education Division at 334.242.5544.

ALL distance education (DE) courses must be submitted online for approval.

CODE OF ETHICS QUADRENNIAL REQUIREMENT

As instructors and school administrators, it is very important for you to know proper procedures since students are more prone to ask questions of you rather than calling the Commission or the Alabama Association of REALTORS®. Many questions asked may involve the Code of Ethics requirement for REALTORS®. The following questions were addressed in an article that appears in the 2009 Spring issue of the Alabama REALTOR® magazine.

■ Do I have to take the Code of Ethics course to renew my license?

No. The NAR Code of Ethics course is not a required CE course according to Alabama License Law. The Commission requires three hours in the approved Risk Management course and 12 elective hours

of CE for license activation or renewal. The Code of Ethics course falls within the elective CE category and has never been required by the Commission.

■ **Why do I have to take the Code of Ethics course?**
Every REALTOR® (not licensee) is required to complete 2 ½ hours of Code of Ethics training every four years. The current four-year cycle began January 1, 2009 and will end December 31, 2012. Failure to comply with this required ethics training is a violation of a membership duty for which the member's primary association will suspend membership until the training is complete.

■ **Which Code of Ethics courses satisfy the NAR requirement?**

NAR decides what is acceptable and what is not acceptable. Most, if not all, CE courses covering the Code of Ethics

articles and standards of practice should be acceptable. The REALTOR® Code of Ethics is not included in any Commission-approved prelicense or post license outline. If the topic is discussed in a prelicense or post license course, it probably will not satisfy NAR's requirement. Check with your Association Executive or someone with the state or national association to verify acceptable courses and content.

All instructors and school administrators should contact either the Alabama Association of REALTORS® or the local board/association in your area to verify how the Code of Ethics quadrennial requirement can be satisfied. Please do not give information to licensees unless it has been verified by NAR, AAR, or a local board/association.

2009 REEA CONFERENCE

The 30th annual conference of the Real Estate Educators Association (REEA) will be held in Portland, Oregon June 13 through June 17. For more information about this conference, please visit the REEA Web site at www.reea.org. Alabama instructors who attend this conference may obtain instructor CE hours for their instructor renewal this summer. Credit will be given for attending the following:

SATURDAY, JUNE 13

ARELLO-IDECC Distance Education Workshop (6 hours of credit)

SUNDAY, JUNE 14

Instructor Development Workshop (6 hours of credit)

MONDAY, JUNE 15 & TUESDAY, JUNE 16

Attend 5 concurrent sessions (6 hours of credit)

To receive credit for attending these courses, you must send in verification of attendance to the Education Division. Conference registration verification will not suffice. If you have any questions about receiving instructor credit at the REEA conference, please contact the Education Division.

