

Law of Agency (RELE 2301)



Credit: 3 semester credit hours (3 hours lecture)

Prerequisite/Co-requisite: None

Course Description

Law of agency including principal-agent and master-servant relationships, the authority of an agent, the termination of an agent's authority, the fiduciary and other duties of an agent, employment law, deceptive trade practices, listing or buying representation procedures, and the disclosure of an agency.

Required Textbook and Materials

1. Texas Real Estate Agency by Donna K. Peeples, PhD and Minor Peeples, III, PhD, Seventh Edition, Dearborn Real Estate Education
 - a. ISBN number is: 978-1-4277-3825-7 / 1-4277-3825-4

Course Objectives

Upon completion of this course, the student will be able to:

1. Identify reasons for suspension or revocation of a Texas Real Estate license
2. Illustrate ways in which agency relationships can be created and terminated.
3. Describe the fiduciary relationship that exists between an agent and his principal.
4. Explain the Deceptive Trade Practices Act (DTPA) as it affects the real estate agent
5. Distinguish between dual agency and intermediary relationships

Course Outline

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| <p>A. Agency concepts</p> <ol style="list-style-type: none">1. What is Agency2. Roles people play3. Why study agency <p>B. Basic agency relationships, disclosure, and duties to the client</p> <ol style="list-style-type: none">1. Agency defined2. Classifications of agency3. Fiduciary duties <p>C. Disclosure and duties to third parties</p> <ol style="list-style-type: none">1. Avoiding disclosure2. Material facts3. Liability for misrepresentation <p>D. Creation and termination of agency</p> <ol style="list-style-type: none">1. How and when agency is created2. How agency is terminated3. Duties of agency that continue | <p>E. Seller agency</p> <ol style="list-style-type: none">1. Express and implied agreements2. Listing agreements3. Benefits of seller agency <p>F. Buyer Agency</p> <ol style="list-style-type: none">1. Deciding to represent the buyer2. The Creation of Buyer Agency3. Fee Arrangements <p>G. Representing More Than One Party in a Transaction: Intermediary Brokerage</p> <ol style="list-style-type: none">1. The Path to Intermediary Brokerage2. Representing More than One Party in a Transaction3. Intermediary Brokerage <p>H. Nonexclusive Single Agency</p> <ol style="list-style-type: none">1. Practicing Nonexclusive Single Agency |
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Approved 12/2013

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Course Syllabus

2. Counseling Sessions
3. Advantages and Disadvantages
- I. Clarifying Agency Relationships
 1. Disclosure Policy
 2. Developing a Company Policy
 3. Summary
- J. Employment Issues
 1. Employment Relationships between Brokers and Principals
 2. Employment and Compensation of Personal Assistants
 3. Employment Relationships between Brokers and Subagents
- K. Agency, Ethics, and the Law
 1. Current Environment
 2. Distinctions between Law, Ethics, and Morals
3. Federal and State Law Relating to Conduct
- L. Deceptive Trade Practices and Consumer Protection Act
 1. Applicability: Real Estate Broker and Salesperson Exemption from the DPTA: SB 1353
 2. Fraud Versus Misrepresentation
 3. Deceptive Trade Practices and Consumer Protection Act
- M. Putting it all together
 1. Preventive brokerage
 2. First Contact: The Broker Working for/with the Seller
 3. First Contact: The Broker Working for/with the Buyer

Grade Scale

90 – 100	A
80 – 89	B
70 – 79	C
60 – 69	D
0 – 59	F

Course Evaluation

Final grades will be calculated according to the following criteria:

1. Class attendance, class participation and pop quiz's	20%
2. Four (4) Unit Tests 20% each	80%
Total	100%

Course Requirements

1. Satisfactory exam grades
2. Satisfactory attendance

Course Policies

1. No food, drinks, or use of tobacco products in class.
2. Beepers, telephones, headphones, and any other electronic devices must be turned off while in class.
3. Do not bring children to class.
4. Tests. Students that miss a test are not allowed to make up the test. Students that miss a test will receive a grade of '0'.

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5. If you wish to drop a course, the student is responsible for initiating and completing the drop process. If you stop coming to class and fail to drop the course, you will earn an 'F' in the course.
6. Additional class policies as defined by the individual course instructor.

Disabilities Statement

The Americans with Disabilities Act of 1992 and Section 504 of the Rehabilitation Act of 1973 are federal anti-discrimination statutes that provide comprehensive civil rights for persons with disabilities. Among other things, these statutes require that all students with documented disabilities be guaranteed a learning environment that provides for reasonable accommodations for their disabilities. If you believe you have a disability requiring an accommodation, please contact the Special Populations Coordinator at (409) 880-1737 or visit the office in Student Services, Cecil Beeson Building.

Course Schedule

Week of	Topic	Reference
Week 1	Course Introduction Chapter 1: Agency concepts	pp. 1 - 12
Week 2	Chapter 1: Agency Concepts - Continued	pp. 1 - 12
Week 3	Chapter 2: Basic Agency Relationships	pp. 13 - 34
Week 4	Chapter 3: Disclosure and Duties to Third Parties TEST #1: Chapters 1 - 3	pp. 35 - 57
Week 5	Chapter 4: Creation & Termination of Agency	pp. 58 - 77
Week 6	Chapter 4: Continued Chapter 5: Seller agency	pp. 58 - 77 pp. 78 - 111
Week 7	Chapter 5: Seller Agency – Cont'd Chapter 6: Buyer Agency	pp. 78 - 111 pp. 112 - 148
Week 8	Chapter 6: Buyer Agency – Cont'd TEST #2: Chapters 4 – 6	pp. 112 - 148
Week 9	Chapter 7: Representing More Than One Party in a Transaction: Intermediary Brokerage	pp. 149 - 182
Week 10	Chapter 8: Nonexclusive Single Agency Chapter 9: Clarifying Agency Relationships	pp. 183 - 191 pp. 192 - 208
Week 11	Chapter 9: Clarifying Agency Relationships – Cont'd TEST #3: Chapters 7 - 9	pp. 192 – 208
Week 12	Chapter 10: Employment Issues	pp. 209 - 221
Week 13	Chapter 11: Agency, Ethics, and the Law	pp. 222 - 250
Week 14	Chapter 12: Deceptive Trades Practices and Consumer Protection Act	pp. 251 - 273
Week 15	Chapter 13: Putting it all together	pp. 274 – 293

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Week of	Topic	Reference
Week 16	TEST #4: Final Exam (Chapters 10 – 13)	

Contact Information:

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