

Professional Licensing Agency  
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## **POST LICENSING EDUCATION INFORMATION**

As of July 1, 2014, a broker must complete within the first two (2) years of licensure thirty (30) hours of approved post licensing education. A licensee is exempt from meeting the regular continuing education requirements until a full 2-year CE cycle has completed. Once a licensee has gone through this period, they will be required to complete 12 hours of CE per year. To illustrate these points, please note the example below.

### **Example:**

*Jim's broker license was issued on August 15, 2014. He has until August 15, 2016 to complete the 30 hours of post licensing education. He was initially licensed in the July 1, 2014 through June 30, 2015 CE year. He is not required to complete regular continuing education during this year. The next two (2) CE years (July 1, 2015 through June 30, 2016 and July 1, 2016 through June 30, 2017), he is also not required to complete the regular continuing education. The first CE year that he will have to complete regular continuing education is the July 1, 2017 through June 30, 2018 CE year. Jim will need to complete 12 hours of CE between July 1, 2017 and June 30, 2018 and each year to follow.*

### **Continuing Education requirements and specifics are as follows:**

#### **Indiana real estate transactions**

**6 hours**

- Unauthorized practice of law as follows:
  - The dangers of unauthorized practice of law by real estate brokers.
  - Penalties.
  - Indiana State Bar Association vs. Indiana Real Estate Association, 1963.
- Contracts as follows:
  - Elements of a contract.
  - Formation of a contract.
  - Issues affecting validity as follows:
    - Consideration.
    - Legal capacity of the parties.
    - Conditions affecting validity.
  - Obligations of the parties.
  - Disputes and litigation.
  - License law issues.
  - Agency relationships.
- Listing/purchase agreements as follows:
  - Listing agreements as follows:

- Parties to the contract.
- License law issues and agency disclosure.
- Formation of the contract agreement (offer and acceptance).
- Determining the listing price.
- Terms of the listing agreement (length, compensation, etc).
- Types of listings.
- Permission for advertising.
- Fair housing laws.
- Obligations of the parties.
- Termination of the listing.
- Residential seller's disclosure form.
- Lead-based paint form.
- Purchase agreements as follows:
  - Parties to the contract.
  - License law and the purchase agreement.
  - Formation of the contract.
  - Property description.
  - Dealing with personal property.
  - Negotiating the price and terms.
  - Earnest money.
  - Method of payment.
  - Appraisals.
  - "Time is of the Essence".
  - Possession issues.
  - Surveys.
  - Flood insurance and homeowners insurance.
  - Environmental concerns.
  - Inspections process and issues.
  - Home warranties.
  - Residential seller's disclosure form.
  - Lead-based paint form.
  - Title approval.
  - Real estate taxes.
  - Homeowners/condo associations.
  - Additional provisions.
  - Further conditions section.
  - Signatures of all parties.
  - Expiration.
  - Seller's potential responses.
  - Brief discussion of procuring cause issues.
- Required disclosures as follows:
  - Residential seller's disclosure form.
  - Lead-based paint disclosure form.
  - Agency relationships disclosure.

- Offers and counteroffers as follows:
  - Presentation of offers as follows:
    - Written offers.
    - Verbal offers.
  - Owner response options/buyer or tenant response options as follows:
    - Acceptance.
    - Rejection.
    - Counter offer.
    - Letting an offer expire.
  - Confidentiality issues.
  - When does an offer become a contract?
- Closing process as follows:
  - Learn your office policies and procedures.
  - The role of the title company.
  - The role of the lender.
  - The role of the listing broker.
  - The role of the buyer/tenant broker.
  - The role of the limited agent.
  - The inspections process.
  - Surveys.
  - Zoning issues.
  - Co-brokerage relationships.
  - Depositing the earnest money.
  - Closing documents.
  - The closing statement.
  - Broker's role at the actual closing.
  - After the closing.

## **Financing**

**6 hours**

- Financing and lending markets as follows:
  - Primary mortgage market.
  - Secondary mortgage market.
  - Mortgage fraud.
  - Loan types as follows:
    - Conventional and insured conventional loans.
    - FHA loans.
    - VA loans.
    - Land contracts.
    - Other financing techniques.
    - Good faith estimate (GFE) processing.
- Credit scoring as follows:
  - The three (3) credit bureaus.
  - How credit scores are determined.
  - Rebuilding credit.

## **Business Planning/Sales and Marketing**

**10 hours**

- Business planning as follows:
  - Contact database.
  - Budgeting.
  - Lead cultivation.
  - Buyer systems.
  - Seller systems.
- Goal setting/time management as follows:
  - Education.
  - Lead generation.
  - Networking.
  - Lead follow-up.
  - Working with active buyers and sellers.
- Methods of growing business as follows:
  - Prospecting.
  - Marketing.

## **Negotiating and Counseling Skills (that includes basic negotiation styles of competing, collaborating, accommodating)**

**5 hours**

- Negotiation principles and the phases of negotiation.
- Factors affecting the negotiation process.
- Cultural differences, language barriers, emotions, values/morals.
- Difficult situation or people, or both, as follows:
  - Outcomes in negotiating.
  - Real estate counseling.
  - Fee or free.
  - Confidential advice to clients.
  - Professional opinion vs. personal opinion.
  - Counselors of real estate (CRE).

## **Cultural diversity and fair housing**

**1 hour**

- Definitions.
- State and federal laws.
- Protected classes.
- Blockbusting.
- Prohibited practices.
- Enforcement.
- Diversity.

## **Construction**

**2 hours**

- Site preparation.
- Building codes.
- Building permits.

- Blueprints.
- Types.
- Styles.
- Foundation.
- Flooring.
- Framing (building envelope).
- Roof.
- Windows.
- Exterior doors.
- Interior finish work.
- Ventilation and moisture control.
- Heating and cooling.
- Plumbing.
- Electrical.
- Building inspections/defects.
- Green building concepts.

**Applicable code site:**

876 IAC 7-4-2 Postlicensing education required

Authority: IC 25-34.1-2-5; IC 25-34.1-3-10

Affected: IC 25-1-4; IC 25-34.1-9

Sec. 2. (a) An individual issued a broker license after June 30, 2014, must, during the first two (2) years after the license was issued, take and pass thirty (30) hours of commission approved postlicensing education as provided for in section 3 of this rule.

(b) Failure of a broker to complete the thirty (30) hours of commission approved postlicensing education required by subsection (a) will subject the broker to action under IC 25-1-4.

(c) Completion of thirty (30) hours of postlicensing education as provided for in this rule fully satisfies any continuing education that otherwise would have been required under IC 25-34.1-9 and 876 IAC 7-5 for two (2) continuing education years. The continuing education year during which the broker is initially licensed shall not count toward calculating the two (2) continuing education years. Therefore, the broker shall not be required to obtain continuing education under IC 25-34.1-9 and 876 IAC 7-5 until the third continuing education year after the continuing education year in progress when the broker is initially licensed.