

RE180 : Mortgage Loan Brokering

General Information

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Attachments:	DE Addendum_RE_180 COR_10_24_2020 CoDE_09_26_2023.pdf
Course Code (CB01) :	RE180
Course Title (CB02) :	Mortgage Loan Brokering
Department:	RE
Proposal Start:	Spring 2025
TOP Code (CB03) :	(0511.00) Real Estate
CIP Code:	(52.1501) Real Estate.
SAM Code (CB09) :	Clearly Occupational
Distance Education Approved:	No
Will this course be taught asynchronously?:	No
Course Control Number (CB00) :	CCC000123956
Curriculum Committee Approval Date:	05/22/2024
Board of Trustees Approval Date:	07/16/2024
Last Cyclical Review Date:	05/22/2024
Course Description and Course Note:	RE 180 details the licensing requirements for real property lenders in California as well as the National Mortgage Licensing System (NMLS). It includes mandatory disclosures, fair lending practices, trust fund handling and regulations for hard money lenders (mortgage bankers) and brokers.
Justification:	Mandatory Revision
Academic Career:	<ul style="list-style-type: none">• Credit
Mode of Delivery:	
Author:	Taber, Colleen Huber, Walter
Course Family:	

Academic Senate Discipline

Primary Discipline:	<ul style="list-style-type: none">• Real Estate
Alternate Discipline:	No value
Alternate Discipline:	No value

Course Development

Basic Skill Status (CB08)	Course Special Class Status (CB13)	Grading Basis
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Course is not a basic skills course.

Course is not a special class.

- Grade with Pass / No-Pass Option

Allow Students to Gain Credit by Exam/Challenge

Pre-Collegiate Level (CB21)

Course Support Course Status (CB26)

Not applicable.

Course is not a support course

General Education and C-ID

General Education Status (CB25)

Not Applicable

Transferability

Transferable to CSU only

Transferability Status

Approved

Units and Hours

Summary

Minimum Credit Units (CB07) 3

Maximum Credit Units (CB06) 3

Total Course In-Class (Contact) Hours 54

Total Course Out-of-Class Hours 108

Total Student Learning Hours 162

Credit / Non-Credit Options

Course Type (CB04)

Credit - Degree Applicable

Noncredit Course Category (CB22)

Credit Course.

Noncredit Special Characteristics

No Value

Course Classification Code (CB11)

Credit Course.

Variable Credit Course

Funding Agency Category (CB23)

Not Applicable.

Cooperative Work Experience

Education Status (CB10)

Weekly Student Hours

	In Class	Out of Class
Lecture Hours	3	6
Laboratory Hours	0	0
Studio Hours	0	0

Course Student Hours

Course Duration (Weeks)	18
Hours per unit divisor	0
Course In-Class (Contact) Hours	
Lecture	54
Laboratory	0
Studio	0
Total	54

Course Out-of-Class Hours

Lecture	108
Laboratory	0
Studio	0
Total	108

Time Commitment Notes for Students

No value

Units and Hours - Weekly Specialty Hours

Activity Name	Type	In Class	Out of Class
No Value	No Value	No Value	No Value

Pre-requisites, Co-requisites, Anti-requisites and Advisories

Advisory

RE101 - Real Estate Principles (in-development)

Objectives

- Recognize the laws of contracts and agency as they relate to the real estate profession.
- Differentiate between various methods of holding title to real property.

Entry Standards

Entry Standards

Course Limitations

Cross Listed or Equivalent Course

Specifications

Methods of Instruction

Methods of Instruction Lecture

Methods of Instruction Demonstrations

Methods of Instruction Guest Speakers

Out of Class Assignments

- Projects (e.g. explain all the elements that go into a lenders decision to make a real estate loan)

Methods of Evaluation

Rationale

Exam/Quiz/Test

Quizzes (multiple choice/true-false)

Exam/Quiz/Test

Midterm examination (multiple choice, fill-in, short essay)

Exam/Quiz/Test

Final examination (multiple choice, fill-in, short essay, form completions)

Textbook Rationale

No Value

Textbooks

Author	Title	Publisher	Date	ISBN
Walt Huber	Mortgage Loan Brokering 5th Edition	Educational Textbook Company, Inc,	2018	978-16-2634-141-3 eISBN 9781626841420

Other Instructional Materials (i.e. OER, handouts)

No Value

Materials Fee

No value

Learning Outcomes and Objectives

Course Objectives

Identify the requirements of the two different real estate licenses.

Compare and select the best source of funds for a particular client.

Evaluate a borrower's financial ability to obtain a loan.

Recognize aspects of real estate law which apply to lending.

Assist a client in assembling required documentation for loans.

SLOs

Prepare a complete a loan application.

Expected Outcome Performance: 70.0

<i>ILOs</i> Core ILOs	Demonstrate depth of knowledge in a course, discipline, or vocation by applying practical knowledge, skills, abilities, theories, or methodologies to solve unique problems.
<i>RE</i> Real Estate Broker - Certificate	Develop a clear action plan to launch a successful real estate career upon graduation. Meet the requirements necessary to take and pass the California Department of Real Estate Broker's licensing exam.
<i>RE</i> Real Estate Broker - A.S. Degree Major	Develop a clear action plan to launch a successful real estate career upon graduation. Meet the requirements necessary to take and pass the California Department of Real Estate Broker's licensing exam.
<i>RE</i> Real Estate Appraisal - A.S. Degree Major	apply the basic principles and procedures used in valuing residential properties. They will be able to choose the appropriate method to determine value for a specific property, estimate gross income and calculate expenses for income producing property and meet Appraisal Qualifications Board (AQB) licensing requirements for filling out forms and completing the URAR form.
<i>RE</i> Real Estate Appraisal - Certificate	apply the basic principles and procedures used in valuing residential properties. They will be able to choose the appropriate method to determine value for a specific property, estimate gross income and calculate expenses for income producing property and meet Appraisal Qualifications Board (AQB) licensing requirements for filling out forms and completing the URAR form.

Explain various loan documents to clients.

Expected Outcome Performance: 70.0

<i>ILOs</i> Core ILOs	Communicate clearly, ethically, and creatively; listen actively and engage respectfully with others; consider situational, cultural, and personal contexts within or across multiple modes of communication.
<i>RE</i> Real Estate Broker - Certificate	Develop a clear action plan to launch a successful real estate career upon graduation. Meet the requirements necessary to take and pass the California Department of Real Estate Broker's licensing exam.
<i>RE</i> Real Estate Broker - A.S. Degree Major	Develop a clear action plan to launch a successful real estate career upon graduation. Meet the requirements necessary to take and pass the California Department of Real Estate Broker's licensing exam.
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Articulate the strict ethical behavior required in the real estate lending community.

Expected Outcome Performance: 70.0

<i>RE</i> Real Estate Broker - A.S. Degree Major	Develop a clear action plan to launch a successful real estate career upon graduation. Meet the requirements necessary to take and pass the California Department of Real Estate Broker's licensing exam.
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<i>RE</i> Real Estate Broker - Certificate	Develop a clear action plan to launch a successful real estate career upon graduation. Meet the requirements necessary to take and pass the California Department of Real Estate Broker's licensing exam.
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<i>ILOs</i> Core ILOs	Practice ethical and responsible behavior within personal, academic, professional, social, and societal contexts; recognize and welcome diverse lifestyle choices that promote physical, intellectual, psychological, and social well-being.
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Additional SLO Information

Does this proposal include revisions that might improve student attainment of course learning outcomes?

No

Is this proposal submitted in response to learning outcomes assessment data?

No

If yes was selected in either of the above questions for learning outcomes, explain and attach evidence of discussions about learning outcomes.

No Value

SLO Evidence

No Value

Course Content

Lecture Content

Scope of Mortgage Loan Brokerage (3 hours)

- Introduction
- Brokerage
- Mortgage loan brokers
- Mortgage bankers

The California Department of Real Estate (6 hours)

- California Department of Real Estate
- Recovery account
- Real Estate brokers
- Real Estate salespersons

Department of Corporations Licensing (3 hours)

- Personal property brokers

- California Finance Lenders' Law
- Commercial finance lenders
- California Residential Mortgage Lending Act

Mortgage Loan Activities Requiring a License (3 hours)

- Broker defined
- Specific activities requiring a Real Estate License
- Advance fee
- Loan correspondents

Exemptions From Licensing Requirements (4 hours)

- Broker defined
- Principal
- Without compensation
- Business and Professions Code 10133
- Mortgage brokers and lenders
- Other Exemptions - Business and Professions Code 10131.01
- Clerical Exemption
- Managers and Employees - Business and Professions Code 10131.01
- FCC regulated enterprises
- Mineral, Oil and Gas Exemptions
- Film location representative
- Exemptions from Articles 5 and 6
- No negotiations

Supervision and Licensing Compliance (3 hours)

- Responsibility of broker or designated officer to supervise
- Notification duties of real estate brokers
- Effect of salesperson violation on broker
- Additional violations leading to disciplinary action
- Responsibility to review documents
- Written employment contract
- Branch offices
- Fictitious business names
- Telemarketing, loan processing, documentation preparation and compliance
- Problems in telemarketing loans
- Mortgage loan consultants

Agency (3 hours)

- Introduction
- Agent-employee-independent contractor
- Types of agents
- Creation of agencies
- Authority of agents
- Undisclosed agency
- Duties of the agent to principal
- Delegation of duties
- Duties to third parties
- Termination of agency relationships
- Agency disclosure form
- Escrow duties

Disclosures in Mortgage Loan Transactions (3 hours)

- Truth in lending
- Mortgage loan disclosure statement borrower disclosure
- Lender/purchaser disclosure statement

Additional Mortgage Loan Disclosures (3 hours)

- Real estate settlement procedures act
- Adjustable rate mortgage loans
- Seller carry back requirements
- Lead paint disclosure
- Credit card disclosure
- Housing and community development
- Home Mortgage Disclosure Act

Fair Lending Practices (3 hours)

- Federal Fair Housing Laws
- California Fair Housing Laws
- The real estate industry and fair lending

Trust Fund Handling (4 hours)

- Trust funds
- Trust account

- Broker maintained impound accounts
- Advance fees
- Loan brokerage deposits
- Broker as principal
- Escrows
- Broker funds in trust account
- Commingling
- Trust funds returned
- Trust fund withdrawals and disbursements
- Conflicting claims on trust funds
- Offset of trust funds
- Trust fund status reports
- Fiscal year report
- Trust account records
- DRE audits

Hard Money Makers and Arrangers (3 hours)

- Definitions
- Sources of funds
- Loan characteristics and requirements
- Investor protection
- Loan file-minimum documentation
- Article 5
- Article 6
- Article 7
- Trust fund handling
- Required disclosures

Securities in the Lending Industry (3 hours)

- Corporate Security Act of 1968
- Exceptions to Department of Corporation jurisdiction
- Application to real estate brokers
- Exemptions from California Securities Law for loan transactions

Third Party Originators (3 hours)

- Definition - third party originator
- Why third party originators?
- Licensing
- Finders
- Agency
- Advertising
- Trust fund handling
- Reports
- Disclosures
- Forms and stacking order

Mortgage Banking (7 hours)

- Definition, scope and history of mortgage banking
- The assumability problem
- Conduits
- Government involvement in lending
- Licensing requirements
- Reporting requirements
- Trust fund handling
- Disclosures
- Forms and stacking
- Quality control

Total hours: 54

Additional Information

Is this course proposed for GCC Major or General Education Graduation requirement? If yes, indicate which requirement in the two areas provided below.

No

GCC Major Requirements

No Value

GCC General Education Graduation Requirements

No Value

Repeatability

Not Repeatable

Justification (if repeatable was chosen above)

No Value

Resources

Did you contact your departmental library liaison?

No

If yes, who is your departmental library liaison?

No Value

Did you contact the DEIA liaison?

No

Were there any DEIA changes made to this outline?

No

If yes, in what areas were these changes made:

No Value

Will any additional resources be needed for this course? (Click all that apply)

- No

If additional resources are needed, add a brief description and cost in the box provided.

No Value