

Broker Management Clinic Section 3B

Time	Topic	Learning Objective	Methods of Instruction
5	Introduction	Opening includes all the different areas of real estate that incorporates property management. Also, what is exempt. Utilize ARS §32-2171 Go over E&O insurance as a risk management tool and understanding what it covers	Lecture & Opening Discussion
5	Quiz for Student Reflection	Give 5 minutes for independent quiz. Which the answers will be discussed throughout course. Allow the students to answer for themselves and let them know that the topics will come up throughout the course.	Independent understanding handout
15	Regulations and Department Role	The role of the Department in licensee activity. The role of litigation for the enforcement of the Landlord Tenant Act. Discuss the audit process for trust accounting including accounting terms, GAAP, and the legal construct of Trust Accounts.	Show resources and information. Use ARS 32-2153 and Department of Housing Site
15	Roles and Responsibilities	Review the Designated Brokers liability and policies. Must address the requirements of a Property Management Agreement per ARS § 32-2173(A) and signers for trust accounts per ARS §32-2174(C).	Lecture and Town Hall Discussion
10	Reasonable Supervision Advertisements/Promotions	Review AAC § R4-28-1103(A)(5)(B) and (B). Discussion to focus on the accuracy and factual information through advertising per AAC §§ R4-28-502(C) and R4-28-503(B). Show examples of advertising and how it wraps into dealing fairly with prospective tenants.	Lecture and Breakout with Advertising Example Discussion
10	Break		
10	Fiduciary Responsibility and Dealing Fairly	Discuss Agency performance, disclosure requirements, and the relationship between property managers and tenants. Discuss tenant applications, Broker background checks, and decision making. (criteria for residential, commercial and agriculture)	Lecture and Discussion
5	Arizona Revised Statutes and Contract Law	Pass out list of all ARS statutes that pertain to property management and transactional requirements. ARS §§ 32-2151, 32-2151.01, 32-2171 through 32-2176 and contract law.	Lecture, Overview, Handout
5	Choosing Property Management Software	Discuss the importance of understanding your chart of accounts and GAAP. Know how to properly set up the accounting software and when to hire an expert for technology and an expert for the accounting features. Criteria to consider when assessing accounting software.	Discussion
10	Trust Account ARS § 32-2174 and purpose per ARS § 32-2151(A)	Review labeling of the account, signature card requirements, signors on the account, required instructions from owners for disposition of monies. Account choices: Ex: one trust account with ledger and journal entries, one trust account for each property owner, etc	Breakout and presentations
25	Trust Account Monthly Requirements	ARS § 32-2151(B)(3) and (C) incorporate the AZRE Trust Account Reconciliation document for paper processes. Show a three way reconciliation between the trust fund account bank statements, client ledgers, and trust fund account ledgers. Examples Include: Bank fees, sinking funds, broker operations account, inappropriate co-mingling. Go over Variations and violations.	Walk through with examples
10	Break		
30	Termination of Property Management Accounts	Contract requirements of move out and who is responsible for the disposition of deposits upon a tenant move out. Further, once a Property Management Agreement terminates the requirements of the brokerage ARS § 32-2173(B), (C), and (D).	Lecture & Open Discussion
10	Quiz Recap	Review opening Quiz with information and sources as discussed in class	Quiz Recap
5	Wrap up	Review resources and the importance of having an attorney on retainer for property management companies. Also, go over third party companies that may be hired to train and set up property management accounts.	Lecture and Thank you.