



AI1173 Real Estate Agency in Practice 7.5 credits

Fastighetsförmedling i praktiken

This is a translation of the Swedish, legally binding, course syllabus.

If the course is discontinued, students may request to be examined during the following two academic years

Establishment

Course syllabus for AI1173 valid from Spring 2019

Grading scale

A, B, C, D, E, FX, F

Education cycle

First cycle

Main field of study

Technology

Specific prerequisites

AI1127 Basics of Property Development and Real Estate Agency (7.5 credits) or alternatively

AI1126 Urban Planning Process for Real Estate and Finance (7.5 credits), or the equivalent.

AI1521 Tenancy, Tenant-Owner and Leasehold Rights (7.5 credits) or the equivalent

AI1174 Individual and Property Taxation (7.5 credits) or the equivalent

Language of instruction

The language of instruction is specified in the course offering information in the course catalogue.

Intended learning outcomes

This course is intended to provide the students the professional knowledge that is necessary for acting as an estate agent and theoretical micro- and macroperspective of the role of estate agent.

After the end of the course, a student shall:

- Be very familiar with the agency process from intake to close, all of the various components and challenges that may arise.
- Understand first home loans, interest difference compensation, repayment requirements, property mortgages, insolvency
- Present an account of insurance policies and risks for lenders, consumers and estate agents
- Understand intake in practice and the effect of information asymmetry in negotiations between consumer and estate agent
- Discuss macroeconomic connections and risk preference
- Discuss behavioural science aspects of the agency and crisis and conflict management
- Be familiar with international comparisons of the estate agency process
- Be aware of applicable Swedish housing research linked to practical application, but obtain an general overview of international research linked to the estate agency process
- Discuss and present an account of occupancy in practice, redemption of loans, deed registration, practical handling of operating costs and escrow
- Analyse theoretical connections that become relevant in the estate agent's daily activities, "principal agent" between seller and estate agent, as well as when the principal is the employer. Risk management and "moral hazard" in relation to owner-employee, but also the relationship between seller and estate agent. Incentive conflicts in the estate agency process and presumptive effects of asymmetries in contract management
- Present an account of financial theoretical connections applicable within property economics, the effective market hypothesis, seasonal effects, index and arbitrage and the effect of heterogeneous selection.
- Obtain an overview of technology-based estate agent programs and databases as aids primarily in appraisal
- Understand housing policy and current issues that the estate agent should master to be able to optimise consumer benefit

Course contents

A review of the sections of law that concern the areas above, with particular emphasis on the areas where there is current debate in the real estate industry.

Course literature

The book “Fastighetsmäklarens Grunder” [Basics for the Estate Agent]

Course compendium.

Scientific articles.

Examination

- SEM1 - Seminars, 3.0 credits, grading scale: P, F
- TEN1 - Examination, 4.5 credits, grading scale: A, B, C, D, E, FX, F

Based on recommendation from KTH's coordinator for disabilities, the examiner will decide how to adapt an examination for students with documented disability.

The examiner may apply another examination format when re-examining individual students.

Ethical approach

- All members of a group are responsible for the group's work.
- In any assessment, every student shall honestly disclose any help received and sources used.
- In an oral assessment, every student shall be able to present and answer questions about the entire assignment and solution.