



CIPS: GLOBAL REAL ESTATE TRANSACTION TOOLS (V2021)

COURSE DESCRIPTION AND TOPIC OUTLINE

Course Description

Overview

This course reviews the tools and concepts real estate professionals need in order to work with the investor client in the global real estate market. Learn how to research markets, convert metric measures, monitor currency trends, alert clients to tax and visa matters, analyze financial data for transactions, and follow a process for compiling transaction information.

Module 1: Researching a Market at Home or Abroad

A Country Assessment Model leads students through the process of compiling a dossier of market data—at home or abroad—interpreting the data and identifying favorable characteristics.

Module 2: The Metric System and Real Estate

U.S. real estate professionals must learn metric measures and conversion ratios in order to provide meaningful information on value, area, and distance to clients and customers from metric-system countries.

Module 3: Money Concepts

Availability of funds for a purchase and repatriation of income and sales proceeds are major factors for successful completion of transactions. By mastering currency concepts and monitoring key exchange rates, real estate professionals can help clients plan ahead to manage value fluctuation.

Module 4: Tax Matters

Foreign buyers and sellers want to know how U.S. tax law applies to them. Although real estate professionals should not give advice on tax matters, they should have general knowledge of how real estate transactions involving foreign ownership are taxed.

Module 5: U.S. Visa Policies

Foreign real estate owners want to know how U.S. visa regulations—entry to the country and permissible length of stay—may impact access to and enjoyment of their properties.

Module 6: Value Concepts

Commercial/investment clients and customers expect detailed financial analyses, but even buyers of vacation homes may expect to examine basic financial ratios. Real estate professionals must be familiar with financial benchmarks and know how they are calculated and evaluated.

Topic Outline

INTRODUCTION

- A.** Course Learning Goals and Overview
- B.** Learning Objectives
- C.** Exam
- D.** International REALTOR® Membership
- E.** Activities and Class Procedures
- F.** Earning the CIPS Designation
- G.** Course Requirements
- H.** International Real Estate Experience

MODULE 1: RESEARCHING A MARKET AT HOME OR ABROAD

- A.** The Global Real Estate Market
- B.** Market Knowledge = Value Proposition
- C.** The Country Assessment Model
- D.** Interpreting Country Assessment Model Data
- E.** Assessing Your Local Market
- F.** Skill Practice: Assessing Your Local Market
- G.** Realtor.com® International
- H.** Key Point Review

MODULE 2: THE METRIC SYSTEM AND REAL ESTATE

- A.** Do You Speak Metric?
- B.** Dimensions
- C.** Land
- D.** Skill Practice
- E.** Let's Go Metric!
- F.** Key Point Review

MODULE 3: MONEY CONCEPTS

- A.** Money on the Move
- B.** Small Changes = Big Impact
- C.** Currency Fluctuation: Offer to Closing and Beyond
- D.** Why Currency Values Fluctuate
- E.** Managing Exchange Rate Risk
- F.** Exchange Rate Websites
- G.** Using Exchange Rates to Convert Values
- H.** Skill Practice: Currency Conversion
- I.** Combining Foreign Currency and Area Measures
- J.** Moving Money Between Countries
- K.** Repatriation
- L.** Mortgage Finance for Foreign Buyers
- M.** Key Point Review

MODULE 4: TAX MATTERS

- A.** Know the Basics
- B.** Taxpayer Status
- C.** Tax Treaties
- D.** Substantial Presence
- E.** Individual Taxpayer Identification Number
- F.** Income Tax for Foreign Real Estate Owners
- G.** Taxable Income from Real Estate
- H.** Foreign Investment in Real Property Tax Act
- I.** Capital Gains Tax
- J.** Estate Tax
- K.** Forms of Ownership
- L.** State and Local Regulations
- M.** Federal Reporting Requirements
- N.** State Reporting Requirements
- O.** Federal Tax Publications and Forms at www.irs.gov/forms
- P.** IRS Publications
- Q.** Key Point Review

MODULE 5: U.S. VISA POLICIES

- A.** How Long Can I Stay
- B.** Visa Waiver Program
- C.** Arrival in the United States
- D.** Visas for Personal and Business Travel
- E.** Working in the United States
- F.** Key Point Review



MODULE 6: VALUE CONCEPTS

- A.** Investment Analysis
- B.** Is It a Home or an Investment?
- C.** Investment Elements
- D.** Time/Value of Money
- E.** Value Approaches
- F.** For Further Study
- G.** Key Point Review
- H.** Wrap Up
- I.** Global Real Estate Transaction Tools Worksheet

RESOURCES

- A.** Websites
- B.** Currency Unions
- C.** Glossary