

REAL ESTATE EDUCATION  
ENDOWMENT AGREEMENT

THIS AGREEMENT is made by and between the STATE OF CALIFORNIA, hereinafter called "State", through its Real Estate Commissioner, hereinafter called "Commissioner", and THE TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY AND COLLEGES, hereinafter called "Trustees".

R E C I T A L S

State desires to provide assurance of perpetual financial support for the enhancement of education in the field of real estate through THE CALIFORNIA STATE UNIVERSITY AND COLLEGES. A basic objective is to advance the professionalization of the field by encouraging graduates from THE CALIFORNIA STATE UNIVERSITY AND COLLEGES to become licensed for practice under the California Real Estate Law. It is the intention of the parties hereto that income from the endowment provided in this agreement shall be used to supplement and not to replace regular financial support for real estate education programs. The State Legislature has appropriated monies from the Real Estate Fund to Commissioner for the initiation of such supplemental support program which Trustees are ready, willing and able to administer.

D E F I N I T I O N S

The following words and phrases shall have the meaning specified, except as otherwise provided in this agreement:

- a. "Income" and "principal" shall have the meaning given, respectively, to each such words in the Revised Uniform Principal and Income Act (California Civil Code Section 730-730.17) or any amendment thereto or further revision thereof.

b. With reference to formal courses of study, "real estate education" shall mean courses and other educational activities in real estate, but many include study in closely related areas such as land economics, urban planning, environmental studies, architecture, and property taxation when offered as an integral part of a real estate educational program.

c. "Campus" shall mean any one of THE CALIFORNIA STATE UNIVERSITIES or COLLEGES or any consortium constituted within THE CALIFORNIA STATE UNIVERSITY AND COLLEGES.

#### C O V E N A N T S

I. State's Undertaking and Covenant. Commissioner shall cause to be paid to the Trustees of THE CALIFORNIA STATE UNIVERSITY AND COLLEGES out of the monies heretofore appropriated by the State Legislature to him for the purposes set forth in this agreement the sum of One Million and No/100 Dollars (\$1,000,000) to establish a permanent endowment at THE CALIFORNIA STATE UNIVERSITY AND COLLEGES to be known as THE REAL ESTATE EDUCATION ADVANCEMENT FUND.

II. Trustees' Undertakings and Covenants. Trustees or its designees shall:

A. Deposit, administer and invest the endowment in THE CALIFORNIA STATE UNIVERSITY AND COLLEGES Special Projects Fund in accordance with Education Code Section 24003 and related rules and regulations.

- B. Use income from the endowment for the maintenance, development and improvement of real estate degree specializations or certificate programs in THE CALIFORNIA STATE UNIVERSITY AND COLLEGES designed to accommodate credit for California community colleges' real estate courses. All allocations shall be for a specified length of time and shall be reviewed annually to determine that the purpose for which funding was made available is being met. Notwithstanding the length of time specified, amount allocated, or extent to which purposes are being met, funding may be increased, decreased or discontinued on account of the fiscal condition of the fund.
- C. Solicit proposals to achieve the objectives of the agreement.
- D. Give consideration to, but not be limited by, the following factors in evaluating and selecting the campuses for participation in the supplemental support program:
1. The campus
    - a. will develop or improve an existing specialization, field of emphasis, major or certificate program in real estate education.
    - b. articulates its real estate program with other institutions, including community colleges, to maximize the real estate education potential of all.
    - c. will develop real estate instructional aids and where appropriate make them available to other qualified educational institutions and parties in response to demonstrated need.

d. will offer courses which enable students to sit for real estate licensure examinations and which contribute to their preparation for such examinations.

2. The campus has effective mechanisms for identifying the educational needs of the real estate industry, such as through establishment of an Advisory Committee which includes licensed practitioners in its membership.
3. The campus has or is seeking to obtain faculty with expertise in real estate education.
4. The campus has a continuing interest in and commitment to research designed to improve real estate education.
5. The campus has no appropriate alternative source of funds for the proposed project or program for which financial support is sought.

E. Assist and cooperate as appropriate with other educational institutions, agencies and individuals seeking to advance education in real estate.

III. Advisory Committee. The parties hereto shall establish a committee to advise the Chancellor concerning the use of funds made available by this agreement. Committee duties shall include review of and recommendation concerning funding of proposals and annual review of funded projects. Membership and size of the committee shall be determined by the Commissioner and the Chancellor of THE CALIFORNIA STATE UNIVERSITY and COLLEGES and shall include equal representation of organized real estate industry groups, and faculty and administration of THE CALIFORNIA STATE UNIVERSITY and COLLEGES as well as the Commissioner or his authorized representative and such additional representation as may be deemed appropriate by the appointing authorities.

IV. Additional Endowment. It is the hope of the parties hereto that as the merits of this program are demonstrated in practice, additional financial contributions will be received from both public and private sources, further to expand and enhance the work here undertaken. The parties shall encourage such contributions.

IN WITNESS WHEREOF, this agreement has been executed by a duly authorized representative of each of the parties on this twenty-ninth day of April, 1974.

THE STATE OF CALIFORNIA

By: Robert W. Kaye  
Real Estate Commissioner

THE TRUSTEES OF THE CALIFORNIA  
STATE UNIVERSITY AND COLLEGES

By: Sam P. Drumb

PROGRAMMATIC STATEMENT  
REAL ESTATE EDUCATION ADVANCEMENT ENDOWMENT

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The Real Estate Education Endowment Agreement between the STATE OF CALIFORNIA and THE TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY AND COLLEGES has its fundamental purpose the development and improvement of real estate programs in the CALIFORNIA STATE UNIVERSITY AND COLLEGES. In seeking to realize that purpose most effectively, the parties to the agreement have provided for an advisory body. Through such a committee, the particular awareness and expertise of various key groups are to be utilized to help ensure that the best possible use is made of the endowment.

To give this advisory committee the benefit of previous discussions and analyses of real estate education needs, the Real Estate Education Advancement Committee has recommended to the Real Estate Commissioner that this programmatic statement be transmitted to the Trustees, the Chancellor and each member of the advisory body when established.

It is important to note that license fees of real estate practitioners have provided the monies required for this endowment. Broad and continued participation of industry through generous representation on any advisory body is deemed imperative. The Real Estate Education Advancement Advisory Committee felt that one-third of the members of the advisory committee should be appointed for one year, one-third for two years and one-third for three years and thereafter members should be appointed for three year terms with the maximum term for any member limited to six consecutive years.

Real estate education programs are designed to prepare students for professional careers and for further education and research in the real estate field. The particular role of THE CALIFORNIA STATE UNIVERSITY AND COLLEGES is to offer baccalaureate and masters level programs as well as continuing education contributing to increased professionalism and to carry out instructionally related research.

The real estate endowment will contribute to the conduct of this role in a number of ways: (1) It will encourage increased involvement in real estate research and education; (2) It will aid in the development of improved curricula, teaching techniques and materials; (3) It will foster cooperation and coordination among the segments of higher education; (4) It will provide a means for the continuing revitalization of real estate faculties; and (5) It will aid in improving communication between the industry and the educational community.

The agreement provides that income from the endowment is to be used to supplement rather than replace regular financial support. Stated operationally, this means that the income is to be used to undertake activities which would probably not be possible within regular funding provisions. For example, faculty positions are generated ordinarily by actual course enrollments by students. Endowment income, however, could be used to hire faculty in advance to develop a program. Or, senior faculty from several institutions might be released part-time from regular duties to develop a new "model" curriculum while being replaced by additional new faculty.

The perpetual nature of an endowment makes it difficult, if not impossible, to prescribe how income might be best utilized. Thus, the Real Estate Education Advancement Advisory Committee does not wish to set boundaries which might inhibit the creativity and innovative capabilities of either faculty or the advisory body. Rather, it urges all concerned to act so as to encourage the development of any innovative proposal which has true potential for enriching real estate education.

Following are illustrative of the kinds of activities which might be undertaken within the context of this program. Some are quite modest in scope. Others are obviously comprehensive. They are presented in no particular order. Nor does each carry the endorsement of all members of the committee. Rather, they are transmitted as examples which might stimulate the thinking of all concerned.

- (1) A cooperative curriculum review and analysis by several campuses utilizing faculty released from regular assignment leading to development of a "model" or "core" CSUC real estate curriculum.
- (2) Real estate internship programs for advanced students.
- (3) Assistantships which would serve as a training ground for new real estate faculty concurrent with contributing to ongoing real estate education activity.
- (4) Research activities which contribute to improvement of instruction.
- (5) Lecture series.
- (6) Visiting faculty.



- (7) Award programs to encourage real estate study and elevate its status in the eyes of prospective students.
- (8) Seminars, conferences and similar programs to encourage dialogue among students, faculty and practitioners.
- (9) Educational programs for practitioners.
- (10) Stipends or awards to outstanding faculty to recognize and honor accomplishment in real estate education.
- (11) Financial support to attract distinguished faculty in real estate programs.

REAL ESTATE EDUCATION  
ENDOWMENT AGREEMENT ADDENDUM

RECITALS

By act of the legislature (SB 1158, Statutes of 1973, Chapter 1173, Business and Professions Code) in January 1975, \$200,000 was appropriated for transfer from the Real Estate Education and Research Fund to the California Student Aid Commission (CSAC). The earnings from this fund were designated for scholarship awards for qualified disadvantaged students enrolled in real estate career-oriented programs at campuses in the CSU system. In 1985, the monies reverted back to the Department of Real Estate (DRE) as no awards had been made by the CSAC.

By and under the provisions of Assembly Bill No. 603, approved by the governor and filed with the Secretary of State on August 24, 1984, \$430,000 was appropriated from the Real Estate Education and Research Account in the Real Estate Fund (the above mentioned \$200,000 plus previous interest earnings) to the Trustees of The California State University to be administered by the Office of the Chancellor as an endowment to provide financial assistance to minority and disadvantaged students enrolled in real estate related programs. By designation from the Office of the Chancellor in June 1991, the Real Estate & Land Use Institute (RELUI) located at the California State University Sacramento Campus was designated as the Program Manager for the CSU Real Estate Scholarship and Internship Grant Program by the CSU Chancellor.

The Budget Act of 1991, Item 2320-001-317 (1)(d), has authorized transfer of an additional one million dollars (\$1,000,000) from the Real Estate Education and Research Fund to be added to the Special Trust Fund for the CSU Real Estate Scholarship and Internship Grant Program. The earnings from this transfer are to be used to increase the funding available for the recipients of the CSU Scholarship and Internship Grant Program.

STATEMENT OF TERMS AND CONDITIONS

By this REAL ESTATE EDUCATION ENDOWMENT AGREEMENT ADDENDUM, the "Agreement" dated April 29, 1974 by and between the STATE OF CALIFORNIA, hereinafter called "State", through its duly appointed, qualified and acting Real Estate Commissioner, hereinafter called "Commissioner", and THE TRUSTEES of THE CALIFORNIA STATE UNIVERSITY AND COLLEGES, hereinafter called "Trustees" is amended to provide:

I. That all of the terms and conditions of the original Real Estate Education Endowment Agreement dated April 29, 1974 between the State and the Trustees will remain in full force and effect, with the following amendments to provide:

A. That the Commissioner has agreed to the designation by the CSU Chancellor of the Real Estate Land Use Institute (currently located at the Sacramento Campus of the California State University) as the Program Manger for the Real Estate Scholarship and Internship Grant Program.

B. That the language in Item III Advisory Committee shall be modified from,

"Membership and size of the committee shall be determined by the Commissioner and the Chancellor of THE CALIFORNIA STATE UNIVERSITY ~~and COLLEGES~~ and shall include equal representation of organized real estate industry groups, and faculty and administration of THE CALIFORNIA STATE UNIVERSITY ~~and COLLEGES~~ as well as the Commissioner or his authorized representative and such additional representation as may be deemed appropriate by the appointing authorities."

To: "Membership and size of the Advisory Board shall be determined by the Commissioner and the Chancellor of the CALIFORNIA STATE UNIVERSITY and COLLEGES and shall include, as a minimum, the following representation:

1. The CSU Chancellor or Chancellor's authorized representative,
2. The Commissioner or Commissioner's authorized representative,
3. Three members from CSU campuses offering degree concentrations in real estate and land use,
4. Three members from the organized real estate and land use industry groups,
5. Additional representation as may be deemed appropriate by the appointing authorities."

C. That CSU Chancellor or the Chancellor's authorized representative will provide bi-annual reports of the activity of the program to the Real Estate Commissioner describing at a minimum the following:

1. Program promotional activities,
2. Numbers of applicants and dollar awards provided,
3. Criteria met by recipients (Minority or Economically or Educationally Disadvantaged),

4. Demographic data (ethnic, gender, educational) on award recipients,
5. Identify campuses attended by recipients,
6. Tracking of past recipients.

D. REPORT DUE DATES:

1. July 31 - for the period January through June
2. January 31 - for the period July through December

E. Either the Commissioner or Trustees may call meetings to evaluate the effectiveness of the program or to consider modifications or changes to the program. Such modifications or changes to the criteria, structure, promotional approach, or allocation of resources for the program as determined beneficial by the parties can be implemented only by the mutual consent of the parties and a written amendment to this agreement.

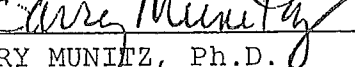
IN WITNESS WHEREOF, the Amendment has been executed on behalf of each of the parties hereto by a representative thereof duly authorized in that regard as of the dates written below. Effective date for the terms of this amendment to the original agreement will be January 1, 1992.

THE STATE OF CALIFORNIA

BY   
CLARK WALLACE  
Real Estate Commissioner

Date December 16, 1991

THE TRUSTEES of CALIFORNIA STATE UNIVERSITY AND COLLEGES

BY   
BARRY MUNITZ, Ph.D.  
Chancellor of the California State University

Date January 6, 1992

REAL ESTATE EDUCATION ENDOWMENT AGREEMENT

ADDENDUM #2

This Second Addendum to the Real Estate Education Endowment Agreement ("Addendum #2") is made to modify and amend the original Real Estate Education Endowment Agreement ("Agreement") executed on April 29, 1974, which was thereafter amended by the Real Estate Education Endowment Agreement Addendum ("Addendum #1"), executed on January 6, 1992.

Through the original Agreement, One Million Dollars (\$1,000,000) was paid to the Trustees of the California State University (the "Trustees") to establish a permanent endowment to support real estate programs in the CSU system to be known as the "Real Estate Education Advancement Fund." By and under the provisions of Assembly Bill No. 603, approved by the Governor and filed with the Secretary of State on August 24, 1984, Four Hundred Thirty Thousand Dollars (\$430,000) was paid to the Trustees to be administered as an endowment to be known as the "Special Trust Fund for the CSU Real Estate Scholarship and Internship Grant Program" to provide financial assistance to minority and disadvantaged students enrolled in real estate related programs. Addendum #1 to the Agreement transferred an additional One Million Dollars (\$1,000,000) from the Real Estate Education and Research Fund to be added to the Special Trust Fund for the CSU Real Estate Scholarship and Internship Grant Program.

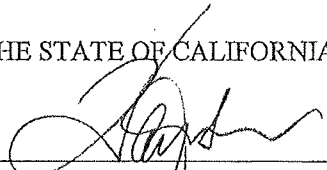
The parties hereby amend the Agreement as follows:

1. All funds of the Real Estate Education Advancement Fund and the Special Trust Fund for the CSU Real Estate Scholarship and Internship Grant Program, will be transferred by the Trustees from the Systemwide Investment State Trust to the California State University Foundation.
2. Any future financial contributions to the Real Estate Education Advancement Fund and/or the Special Trust Fund for the CSU Real Estate Scholarship and Internship Grant Program will be deposited by the Trustees in the California State University Foundation.

All other terms of the Agreement shall remain unchanged and in full force and effect.

The parties hereby execute Addendum #2.

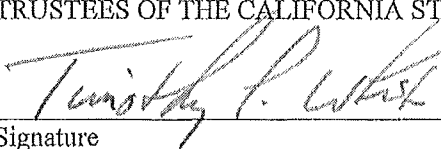
THE STATE OF CALIFORNIA

  
\_\_\_\_\_  
Signature

By: Wayne S. Bell, Real estate Commissioner

9/10/2013  
Date

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

  
\_\_\_\_\_  
Signature

By: Timothy P. White, Chancellor

9.16.13  
Date