

Circle the correct answer

1. "Limited service representative" means

- A. Licensee who acts for or represents a client with respect to real property containing from one to four residential units, pursuant to a brokerage agreement that provides that the limited service representative will not provide one or more of the duties set forth in subdivision A 2 of §§ 54.1-2131, 54.1-2132, 54.1-2133, and 54.1-2134, inclusive.
- B. A limited service representative shall have the obligations set out in the brokerage agreement, except that a limited service representative shall provide the client, at the time of entering the brokerage agreement, copies of any and all disclosures required by federal or state law, or local disclosures expressly authorized by state law, and shall disclose to the client the following in writing: (i) the rights and obligations of the client under the Virginia Residential Property Disclosure Act (§ 55-517 et seq.); (ii) if the client is selling a condominium, the rights and obligations of the client to deliver to the purchasers, or to receive as purchaser, the condominium resale certificate required by § 55-79.97; and (iii) if the client is selling a property subject to the Property Owners' Association Act (§ 55-508 et seq.), the rights and obligations of the client to deliver to the purchasers, or to receive as purchaser, the association disclosure packet required by § 55-512.
- C. A limited service representative may act as the agent or representative of the client only by so providing in writing in the brokerage agreement. If the brokerage agreement does not so state, the limited service representative shall be deemed as acting as an independent contractor of the client
- D. All of the above

2. A licensed salesperson is selling her own townhouse to move into a luxury high-rise condominium. She advertised her property in the local newspaper as follows: "Beautiful, 3 bedroom townhouse. Excellent assumption. Single females only. Call 555-1234 for details. Owner is licensed agent."

Which statement is TRUE?

- A. Her ad is in violation of the Virginia Fair Housing Laws.
 - B. Her ad is not in violation of the Virginia Fair Housing Laws.
 - C. She has violated the Real Estate Board regulations because she disclosed her license status in her ad.
 - D. She is exempt from the Real Estate board regulations in the sale of her personal residence.
- 3. A licensee is assisting a member of his/her family in the purchase of a property the licensee has listed. In this situation what is the greatest risk facing the licensee?**
- A. Alienation of the employing broker
 - B. The family member will want to cut the commission
 - C. Creation of an undisclosed dual agency
 - D. Alienation of the relationship of the family member

Circle the correct answer

4. If a blind person with a seeing eye dog wants to rent an apartment in a building that has a "house rule" of no pets, the landlord may:

- A. Refuse to rent, on the basis of the "no pet" rule.
- B. Require the dog to live outside the apartment.
- C. Charge an additional security deposit because of the dog.
- D. Require the tenant, upon termination of the lease, to pay for any damage caused by the dog.

5. A licensee contacts a homeowner in an attempt to obtain a listing for the property. According to Virginia Agency Law, when must agency disclosure be provided to the homeowner?

- A. At the time the owner is signing the listing agreement.
- B. Prior to substantive discussion regarding confidential information
- C. When the licensee presents the first offer to purchase.
- D. Agency disclosure is required only to buyers, not sellers.

6. Article 11 of the National Association of REALTORS® Code of Ethics provides that the services which REALTORS® provide to their clients and customers shall:

- A. Conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.
- B. not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth. (*Amended 1/95*).
- C. Neither A nor B.
- D. Both A & B

7. Using Bait and Switch Tactics is an example of which Virginia real estate Standard of Practice?

- A. Disclosure of Interest.
- B. Improper Brokerage Commissions.
- C. Misrepresentation.
- D. Improper Dealing.

Circle the correct answer

8. Virginia Agency Law defines a client as:

- A. A person who has entered into a brokerage relationship with a licensee.
- B. A seller who wants to sell his property.
- C. A buyer who wants to buy property.
- D. A landlord who wants to rent his property.

9. During the executory period of a valid real estate contract, one of the principals defaults. The broker is required to hold any funds in his possession, as a condition of the contract, until:

- A. The seller advises the broker that the contract has been breached.
- B. The lending institution has advised the broker that the buyer's loan application has been rejected.
- C. A court of competent jurisdiction orders disbursement.
- D. The attorney for the non-defaulting party orders the release of the funds.

10. A broker is writing an advertisement for a property he has listed. He must include:

- A. The financing possibilities.
- B. The name of the listing salesperson.
- C. The name of the seller.
- D. The name of the listing brokerage firm.

11. A broker may draw commissions from his escrow account:

- A. when the seller vacates the property.
- B. when closing is completed.
- C. when the seller agrees.
- D. when the buyer occupies the property.

12. Which Virginia real estate Standard of Practice regulation says: "If a licensee knows or should have known that he, any member of his family, his firm, any member of his firm, or any entity in which he has an ownership interest, is acquiring or attempting to acquire real property through purchase or lease and the licensee is a party to the transaction, the licensee must disclose that information to the owner in writing in the offer to purchase or lease."

- A. Agency Disclosure.
- B. Interest Disclosure.
- C. This is good policy but not required by real estate regulation.
- D. None of the above.

Circle the correct answer

13. Actions constituting improper record keeping and maintenance of escrow funds under the Virginia Standards of Practice regulation include:

- A. Failing, as a principal or supervising broker, to retain for a period of three years from the date of the closing or ratification, if the transaction fails to close, a complete and legible copy of each disclosure of a brokerage relationship, and each executed contract, agreement, and closing statement related to a real estate transaction, in the broker's control or possession.
- B. Having received monies on behalf of others and failed to maintain a complete and accurate record of such receipts and their disbursements for a period of three years from the date of the closing or termination of a lease or conclusion of the licensee's involvement in the lease.
- C. Failing, within a reasonable time, to account for or to remit any monies coming into a licensee's possession which belong to others.
- D. All of the above.

14. Ministerial Acts are acts that do not require judgment on the part of the Agent according to Virginia Agency Law. Which is an example of a ministerial act?

- A. Making an appointment for the termite inspection.
- B. Completing and interpreting a CMA.
- C. Recommending that the buyer include a "kick out" clause in a Purchase Contract.
- D. None of the above

15. It is illegal for a broker to represent both the buyer and seller in the same transaction unless

- A. The broker obtains the prior written consent of both parties.
- B. The broker charges only one of the parties a fee.
- C. The parties fail to discover the dual representation.
- D. The broker tells both parties of the dual representation.

16. All of the following are improper dealings EXCEPT:

- A. placing a sign on a property without the consent of the owner.
- B. offering real property for sale or lease without the knowledge and consent of the owner.
- C. advertising property for sale or lease without the name of the brokerage.
- D. Using bait and switch tactics.

Circle the correct answer

17. A broker is required to keep records for:

- A. two years after the listing date.
- B. two years after the settlement date.
- C. five years.
- D. three years.

18. A broker is using monies from his escrow account for office expenses. He could be found guilty of:

- A. Fraud.
- B. Commingling.
- C. Misrepresentation.
- D. Culpable Negligence.

19. The Lead Base Paint Disclosure Law requires disclosure of lead base paint hazards in houses built prior to:

- A. 1988
- B. 1998
- C. 1978
- D. 2000

20. Virginia real estate regulations requires:

- A. Each place of business and each branch office shall be supervised by a supervising broker.
- B. The supervising broker shall exercise reasonable and adequate supervision of the provision of real estate brokerage services by associate brokers and salespersons assigned to the branch office.
- C. Both A and B.
- D. Neither A nor B.

21. In Virginia, if dual agency exists, the law requires:

- A. Disclosure verbally to both parties.
- B. Disclosure in writing to both seller and purchaser.
- C. Disclosure is required in writing.
- D. Disclosure in writing to both parties, who must agree.

Circle the correct answer

22. All are examples of Improper Brokerage Commissions under the Standards of Practice of the Virginia real estate regulations EXCEPT:

- A. Offering to pay or paying a commission or other valuable consideration to any person for acts or services performed in violation of Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia.
- B. Accepting a commission or other valuable consideration, as a real estate salesperson or associate broker, for the performance of any of the acts specified in Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia or the regulations of the board, from any person except the licensee's principal broker at the time of the transaction.
- C. Receiving a fee or portion thereof including a referral fee or a commission or other valuable consideration for services required by the terms of the real estate contract when such costs are to be paid by either one or more principal(s) to the transaction unless such fact is revealed in writing to the principal(s) prior to the time of ordering or contracting for the services.
- D. Entering a brokerage relationship that does not specify a definite termination date.

23. Agent has Seller sign a listing agreement but does not give Seller a copy at signing. Agent promises to bring a copy back to Seller tomorrow. This is an example of which Virginia real estate Standard of Practice regulation?

- A. Misrepresentation
- B. Bad business practice, but not against real estate regulation
- C. Actions constituting improper delivery of instruments
- D. None of the above

24. Confidential information under Virginia Agency Law includes all of the following EXCEPT:

- A. Personal information of the Client.
- B. Financial information of the Client.
- C. Why the Client is selling.
- D. The age of the client's house.

25. Discrimination based on familial status is prohibited by the:

- A. Civil Rights Act of 1866.
- B. Civil Rights Act of 1964.
- C. Fair Housing Act of 1968.
- D. Fair Housing Amendments Act of 1988

Circle the correct answer

26. Salesperson Glenda "forgets" to tell a buyer about a defect she knew about in the house; later, upon being sued by the buyer, she defends herself by saying that she was working for the seller, and that the buyer is responsible for finding defects. Is the salesperson right?

- A. Yes, she is correct in every detail.
- B. No; she was working for the buyer and should have disclosed the defect.
- C. No; even though she worked for the seller, she owed the buyer disclosure of defects in the property.
- D. No; she should have explained the doctrine of caveat emptor to the buyer, who would then have obtained a property inspection.

27. One of Broker Jeffrey's sales agents obtained a listing on a property that seemed to Broker Jeffrey to be just the home his sister had been seeking. He immediately called her, showed it to her and wrote an offer for her to purchase it.

- A. This is perfectly proper, provided Broker Jeffrey does not tell the seller, the buyer is his sister.
- B. This is perfectly proper, provided Broker Jeffrey tells the seller that the buyer is his sister.
- C. This is perfectly proper provided Broker Jeffrey does not accompany his sales agent to present the offer.
- D. This is perfectly proper provided Broker Jeffrey advises the seller, in writing in the contract, that the buyer is his sister.

28. Broker Bill, who has property listed for sale belonging to Mr. Seller, receives an offer from a cooperating broker, which was 25% less than the asking price.

Broker Bill must:

- A. Decide if he thinks Mr. Seller will take it and if he does not feel Mr. Seller will accept it, he should return the offer to the cooperating broker marked refused by Broker Bill.
- B. Tell the cooperating broker that he will only present the offer to the seller if the cooperating broker agrees to give his share of the commission to Broker Bill.
- C. Tell the cooperating broker that he will not present the offer since he knows the seller will not accept it.
- D. None of the above.

29. Agent Bill advertises one of his listings in the local newspaper as follows:

"Beautiful three bedroom ranch located in Shadywood Acres. Assumable 7% VA mortgage, payments of \$759." Which of the following is correct?

- A. Bill's ad is not very good because it doesn't give enough information.
- B. Bill's ad is a violation of RESPA
- C. Bill's ad will probably sell the house.
- D. Bill's ad is in violation of Regulation Z.

Circle the correct answer

30. Louise, a licensed salesperson, needs to sell her house. She advertises it "For Sale by Owner - two bedrooms, two bath home, in good location. \$73,500. Call 923-7896." Louise...

- A. is not in violation of license regulations since it is her own home she is offering for sale.
- B. is in violation of license regulations since she did not state in the ad that she was licensed.
- C. is in violation since she did not list the name of her broker.
- D. is not in violation of regulations since she did not use her name in the ad.

31. A broker has a listing on a house that contains a provision that the house is to be sold in "as-is" condition. The broker learns of a major hidden (latent) defect in the property. When showing the property to a prospective purchaser, the broker should:

- A. Advise the buyer of the defect.
- B. Point out that the house will be sold in "as-is" condition.
- C. Mention the defect to the buyer only if asked.
- D. Inform the buyer that the seller has told him of no defects.

32. When should a licensee disclose the agency relationship to a prospective buyer, seller, optionor or optionee?

- A. Upon discussion or showing of a specific property.
- B. After they have discussed a specific property.
- C. When the contract is being drafted.
- D. When the contract is being signed.

33. Article 1 of the Code of Ethic of the National Association of REALTORS requires REALTORS® to:

- A. treat all parties to a transaction honestly.
- B. treat all parties fairly.
- C. promote the interest of their customers.
- D. None of the above.

34. Under the rules of the Virginia Landlord and Tenant Act, a landlord, must make a final inspection of a vacated property within:

- A. 72 hours of the termination of the lease.
- B. 24 hours of the termination of the lease.
- C. 36 hours of the termination of the lease.
- D. 1 week of the termination of the lease.

Circle the correct answer

35. Article 2 of the Code of Ethics of the National Association of REALTORS® requires REALTORS® to:

- A. misrepresent the condition of a property.
- B. conceal the condition of a property.
- C. discover latent defects in a property.
- D. None of the above.

36. A person selling a lot in a (POA) Property Owners Association shall disclose in the contract that:

- A. the lot is located within a development, which is subject to the Virginia Property Owners' Association Act.
- B. the Act requires the seller to obtain from the property owners' association an association disclosure packet and provide it to the purchaser.
- C. the purchaser may cancel the contract within three days after receiving the association disclosure packet or being notified that the association disclosure packet will not be available.
- D. All of the above.

37. An association disclosure packet (POA) shall contain the following:

- A. The name of the association and, if incorporated, the state in which the association is incorporated and the name and address of its registered agent in Virginia.
- B. A statement of any expenditure of funds approved by the association or the board of directors which shall require an assessment in addition to the regular assessment during the current year or the immediately succeeding fiscal year.
- C. A statement, including the amount of all assessments and any other mandatory fees or charges currently imposed by the association and associated with the purchase, disposition and maintenance of the lot and to the right of use of common areas, and the status of the account.
- D. All of the above.

38. Article 12 of the National Association of REALTORS® Code of Ethics:

- A. is the 'truth in advertising' article.
- B. says nothing about advertising.
- C. requires REALTORS® to disclose their status.
- D. Both A & C.

Circle the correct answer

39. Article 4 of the National Association of REALTORS® DOES NOT allow REALTORS®:

- A. to reveal their ownership or interest in writing to the purchaser or the purchaser's representative.
- B. Promote the best interest of the REALTORS®' clients.
- C. to acquire an interest in or buy or present offers from themselves, any member of their immediate families, their firms or any member thereof, or any entities in which they have any ownership interest, any real property without making their true position known to the owner or the owner's agent or broker.
- D. Both A and B.

40. In the Resale of a Condominium Unit, the unit owner shall disclose in the contract that:

- A. the seller to obtain from the unit owners' association a resale certificate and provide it to the purchaser.
- B. the purchaser may cancel the contract within three days after receiving the resale certificate.
- C. has a right to request an update of the resale certificate and the right to cancel the contract are waived conclusively if not exercised before settlement.
- D. All of the above.

41. Article 10 of the National Association of REALTORS® says:

- A. REALTORS® shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, or national origin.
- B. REALTORS® shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status, or national origin.
(Amended 1/90)
- C. Neither A nor B.
- D. Both A and B.

42. Broker J was accused of violating antitrust laws. She was probably accused of:

- A. Not having an equal housing opportunity sign in her office window.
- B. Undisclosed dual agencies.
- C. Allocation of customers or price fixing.
- D. Dealing unlicensed exchange service.

43. The relationship created between the real estate broker and the client places the Broker in the position of:

- A. a principal.
- B. an attorney in fact
- C. a dual agent.
- D. an agent.

Circle the correct answer

44. Fair Housing Law defines Protected Class as any group, or any member of a group that can be identified by either:

- A. Race, Color.
- B. Religion, Sex, National Origin.
- C. Handicapped, Elderliness (VA Law).
- D. All of the above.

45. When screening applicants for rentals under the Fair Housing Laws you should:

- A. treat everyone the same.
- B. have written guidelines that you follow with each applicant.
- C. as part of your screening guidelines include an applicant's ability to timely pay the rent.
- D. All of the above.

46. The Virginia Condominium Act:

- A. was established July 1, 1974 and supersedes what was known as the Horizontal Property Act.
- B. is administered by the VREB, who is referred to as the agency.
- C. Has been repealed.
- D. Both A & B.

47. Essential elements of a contract are:

- A. Legally competent parties, mutual agreement.
- B. Lawful objective, consideration or cause, contract in writing when required by law.
- C. Both A & B.
- D. None of the above

48. Advertising, under the Fair Housing Law, should:

- A. not contain words that express a preference based on a protected class.
- B. use phrases like "no children" or "adults only".
- C. Real Estate Agents are not covered by the Fair Housing Law.
- D. None of the above.

49. Disabilities under The Americans with Disabilities Act are broadly defined as:

- A. a physical or mental impairment; that substantially limits one or more of the major life activities of such individual; has a record of such impairment; is regarded as having such an impairment.
- B. having a physical or mental impairment that does not substantially limit major life activities, but is treated by a recipient as constituting such a limitation.
- C. having a physical or mental impairment that substantially limits major life activities only as a result of the attitudes of others toward such impairment.
- D. All of the Above.

Circle the correct answer

50. The Virginia Residential Property Disclosure Form requires which of the following disclosures?

- A. A notice to purchasers that the property is located in a historic district if the owner has knowledge of such designation.
- B. A notice to purchasers that the owner represents that there are no pending enforcement actions pursuant to the Uniform State wide Building Code that affect the safe and decent and sanitary living conditions of the property of which the owner has been notified by the locality.
- C. Provides for a notice to the purchaser that the property is located next to a school.
- D. Both A and B.