PSI Services LLC
Phone: (855) 340-3704
https://test-takers.psiexams.com/mare

MASSACHUSETTS DIVISION OF OCCUPATIONAL LICENSURE BOARD OF REGISTRATION OF REAL ESTATE BROKERS AND SALESPERSONS

Examination Candidate Information Bulletin (CIB)

Introduction

This Bulletin provides information on the requirements as well as the process for achieving licensure. Candidates are eligible for the two-part examination when their application and supporting documentation are approved. In order to be approved for examination by the Board of Registration of Real Estate Brokers and Salespeople, candidates must have the required work requirement and education. The Board approves applications and has contracted with PSI to administer the exam. Please visit the Boards website for information on how to apply: https://www.mass.gov/orgs/board-of-registration-of-real-estate-brokers-and-salespersons. If you have passed both portions of the exam, your license will be available in the MA Division of Occupational Licensure eLIPSE profile after paying the licensing fee. PSI does not print licenses on site

- **The Exam Candidate Information Bulletin is written by the Board and includes the Board's Policies and Procedure as regards the exam process to achieve licensure.**
- **References to the Massachusetts General Laws (MGL) or the Code of Massachusetts Regulations (CMR) may be excerpted or paraphrased – for the accurate quotes please see the official versions. An exact version is available on the Board's website. Original copies of the CMRs may be obtained from the State Bookstore located:**

State House, Room 116
Boston, MA 02133
(617) 727-2834

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INTRODUCTION

This Candidate Information Bulletin (CIB) provides you with information about the examination and application process for obtaining a real estate license in the Commonwealth of Massachusetts.

THE LICENSURE PROCESS

Licensure is the process by which an agency of state government or other jurisdiction grants permission to individuals to engage in the practice of, and prohibits all others from legally practicing, a particular profession, vocation or occupation. By ensuring a minimum level of competence, the licensure process protects the general public. The Massachusetts Board of Registration of Real Estate Brokers and Salespersons is responsible for establishing the acceptable level of safe practice and for determining whether an individual meets that standard.

The Commonwealth of Massachusetts has retained the services of PSI Services LLC (PSI) to develop and administer its real estate program. PSI is a leading provider of test services to regulatory agencies as well as national associations.

All questions and requests for information about maintaining a license after the examination has been passed and the license issued should be directed to the Massachusetts Board of Registration of Real Estate Brokers and Salespersons. All other questions regarding your exam should be directed to PSI.

Salesperson and Broker Exams: Eligible candidates who pass both portions of the exam will pay for their license to the Board on their eLIPSE platform. Instructor and Teaching Methods Exams: Candidates receive only score reports but not license cards or wall certificates.

Massachusetts Division of Occupational Licensure Board of Registration of Real Estate Brokers and Salespersons
One Federal Street Suite 600
Boston, MA 02110-2012
Phone: (617) 701-8661
Email: realestateboard@mass.gov
https://www.mass.gov/orgs/board-of-registration-of-real-estate-brokers-and-salespersons

REAL ESTATE REQUIREMENTS

Massachusetts law has established the requirements for qualifications for a real estate salesperson or broker license. Candidates must read this Candidate Information Bulletin (CIB) completely before applying for any license examination.

SALESPERSON APPLICANTS MUST:

- Be at least eighteen (18) years of age.
- Complete forty (40) hours of pre-licensure salesperson education.
- Obtain a completed Massachusetts Board of Real Estate Educational Certificate from a Board approved Real Estate School
- Obtain three (3) complete candidate endorsements from individuals **unrelated** to the applicant. They do not need to be Massachusetts residents. Classmates known by the applicant from only the real estate course may **NOT** sign the candidate endorsement.
- Application fee $31

BROKER APPLICANTS MUST:

- Be at least eighteen (18) years of age.
- Complete forty (40) hours of pre-licensure broker education.
- Have been licensed and affiliated with a Massachusetts broker in the capacity of a Massachusetts real estate salesperson for three (3) years. The experience requirement must be no more than two (2) years old when the examination is taken.
- Obtain a completed Massachusetts Board of Real Estate Educational Certificate from a Board approved Real Estate School
- Have a current Massachusetts salesperson license.
- Have a $5,000 surety bond on the original enclosed form (a copy is not acceptable) **completed and signed by the insurance agent**, signed by the principal candidate/examinee, and witnessed.
- Obtain three (3) complete candidate endorsements from individuals **unrelated** to the applicant. They do not need to be Massachusetts residents. Classmates known by the applicant from only the real estate course may **NOT** sign the candidate endorsement.
- Application fee $52

THREE-YEAR AFFILIATION REQUIREMENT

- To be completed only by employing broker. All dates must be clearly indicated as Month/Day/Year.
- Any date indicated beyond the broker's signature date will not be accepted

Applicants for the broker examination must have completed three (3) years of affiliation as an active Massachusetts salesperson under an active Massachusetts broker. The Broker must endorse the Employing Broker Certification provided on the board's website. The Employing Broker Certification form must be completed in its entirety by only the employing broker. **Only the original completed form will be accepted. Copies are not permitted.**

The applicant must have worked a minimum of twenty-five (25) hours per week for a minimum of three (3) years. An applicant for a broker's license may use prior salesperson experience so long as the experience is not over two (2) years old and/or there has not been a two (2) year gap in time between the current and past salesperson experience. In the event that a salesperson affiliates with more than one broker at various times, two (2) employing broker certification forms are provided. If more than two (2) forms are required, signed and dated letter(s) must be obtained from the additional broker(s), preferably using their business letterhead(s), and MUST include ***all features of the original Employing Broker Certification***.

APPLICANTS CURRENTLY LICENSED IN ANOTHER STATE

Candidates currently licensed in another jurisdiction should visit the Board's website www.mass.gov/real-estate-licensing to review the Board's policy on Reciprocity.

To view the policy, click on the "Applications and Forms" link and then click the respective application type:

- Attorney Licensure
- Reciprocal Licensure.

Candidates currently licensed in another jurisdiction, the Board does not have reciprocity with can apply to the exam providing the letter of good standing for review and waiver of the 40-hour Massachusetts Education. The license in **the other state must be current or a waiver will not be issued.** visit the Board's website www.mass.gov/real-estate-licensingto review the Board's policy.

- Three (3) candidate endorsements must also be obtained from individuals **unrelated** to the applicant. They do not need to be Massachusetts residents. Classmates known by the applicant from only the real estate course may **NOT** sign the candidate endorsement.

REAL ESTATE LICENSING REQUIREMENTS

SALESPERSONS MUST:

- Apply for and pass the licensure examination within two (2) years of the date of completing the required salesperson education. NOTE: It is recommended that candidates do not wait until their certificate is ready to expire to apply and take their test. Candidates must allow ample time within the 2-year period when making an examination reservation.
- Be prepared to pay for the license on the day of the examination (upon passing the examination).
- Have, pursuant to Massachusetts General Laws, Chapter 62C, Section 49A, to the best of his/her knowledge and belief, filed all state tax returns and paid all state taxes required by law.
- Provide a valid Social Security number and/or a valid Tax Identification number (**mandatory**).

BROKERS MUST:

- Apply for and pass the licensure examination within two (2) years of completing the required broker education. NOTE: It is recommended that candidates do not wait until their certificate is ready to expire to apply and take their test. Candidates must allow ample time within the 2-year period when making an examination reservation.
- Be prepared to pay for the license on the day of the examination (upon passing the examination).
- Be currently licensed as a salesperson in Massachusetts at the time of application. The license may be either ACTIVE or INACTIVE at the time of the examination.
- Have been licensed as an active Massachusetts salesperson and affiliated with a Massachusetts real estate broker for at least three (3) years at a minimum of twenty-five (25) hours per week. The experience requirement must be no more than two (2) years old when the examination is taken.
- Obtain a $5,000 surety bond on **the original enclosed form (a copy is not acceptable) completed and signed by**

the insurance agent (Attorney-in-Fact), signed by the principal (candidate/examinee), and witnessed.

- Have, pursuant to Massachusetts General Laws, Chapter 62C, Section 49A, to the best of his/her knowledge and belief, filed all state tax returns and paid all state taxes required by law.
- Provide a valid Social Security number and/or a valid Tax Identification number (**mandatory**).

QUALIFYING QUESTIONS

A "yes" answer to any of the discipline questions on application may affect the candidate's ability to become licensed in the Commonwealth of Massachusetts. **At this time, the Board does not license applicants who are currently on probation or parole.** To view the Board's "Good Moral Character" Policy, click on the "Statutes and Regulations" link and then click on the "Board Policies and Guidelines" link then click on the "Determination of Good Moral Character for Initial Broker or Salesperson Licensure by Examination, Reciprocity, Waiver of Educational Requirement or as an Attorney Broker" link.

APPROVED EDUCATION PROVIDERS

A list of education providers is available on the Massachusetts Board of Registration of Real Estate Brokers and Salespersons website (www.mass.gov/dpl/boards/re).

CONTINUING EDUCATION REQUIREMENTS

Since the first license is prorated, it will be valid for no less than two (2) years and no more than three (3) years. When candidates submit their first license renewal, they must have completed continuing education **BEFORE** renewing their license as active (to be able to practice real estate). The current requirement is twelve (12) hours. This education requirement must be completed before renewing the license. If a candidate does not complete continuing education, his/her license will be renewed as inactive and he/she will no longer be able to practice real estate.

LICENSE TERM

The issue date is the date the candidate passed their examination. The expiration date is the candidate's date of birth. The license will be issued for no less than two (2) years, but not greater than three (3) years. For example, the examination pass date is March 15, 2024 – this is the issue date. The candidate's date of birth is April 1 and thus the expiration of the license will be April 1, 2026.

SCHEDULING PROCEDURES

The examination is divided into two (2) parts: the General portion and the State portion. Candidates who pass one (1) portion of the examination and fail the other need to retake only the failed portion. The failed portion must be successfully completed within two (2) years from the completion date on the Educational Certificate form (or the authorized period by the Board). If the Educational Certificate expires, the partial pass also expires. Candidates who obtain a new Education Certificate must retake both portions of the examination.

Examination Fee

Salesperson	**$56**
Broker	**$56**

NOTE: EXAMINATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. THE EXAMINATION FEE IS VALID FOR ONE YEAR FROM THE DATE OF PAYMENT.

If a candidate fails to appear for their scheduled examination or fails to cancel/change their reservation within two-days prior to their scheduled appointment, the examination fee will be forfeited, and the candidate will be unable to reschedule an examination until they pay the appropriate re-take fee.

The fee to re-take for **all** salesperson and broker candidates is $56. Payment must be made at the time of scheduling by VISA, MasterCard, American Express or Discover. **Payment for the examination will not be accepted at the test center.**

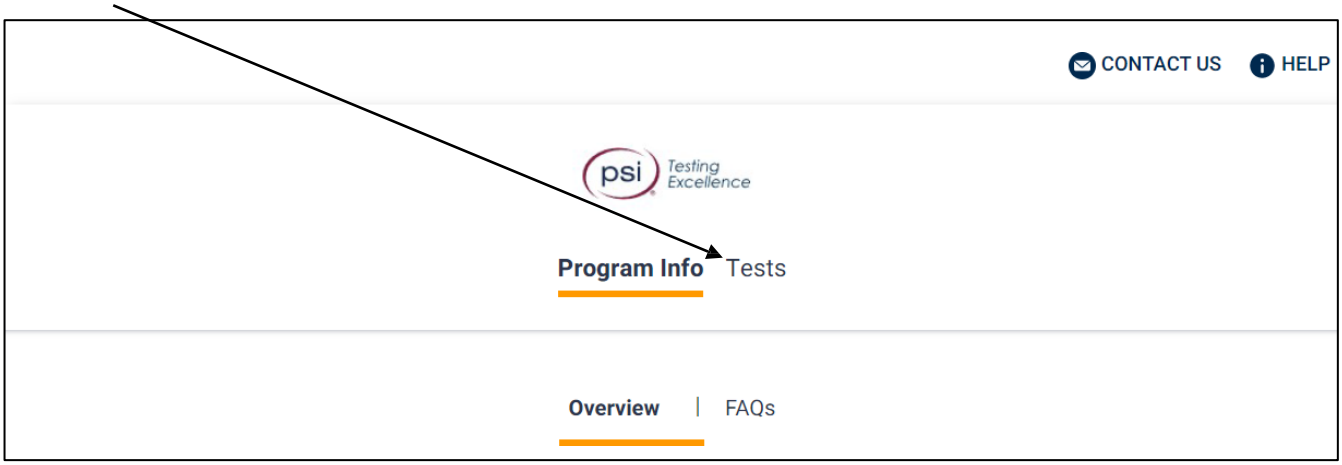
ACTIVE DUTY MILITARY OR VETERANS

The fee for active duty military or veterans is $56 for both salesperson and broker candidates. In order for this fee to be honored, the candidate **must** make a reservation by using the *Active Duty Military or Veteran Discount Exam Reservation Form* and include a photocopy of the military orders or discharge papers (DD-214). The photocopy of the documents will not be returned. **Note: Failure to provide a copy of the documents will require payment of the full fee in order to schedule for the examination.**

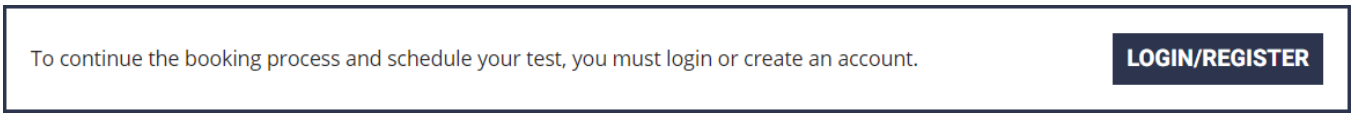
After you are approved to exam by the board you will be eligible to schedule the exam using one of the following methods:

ON-LINE SCHEDULING

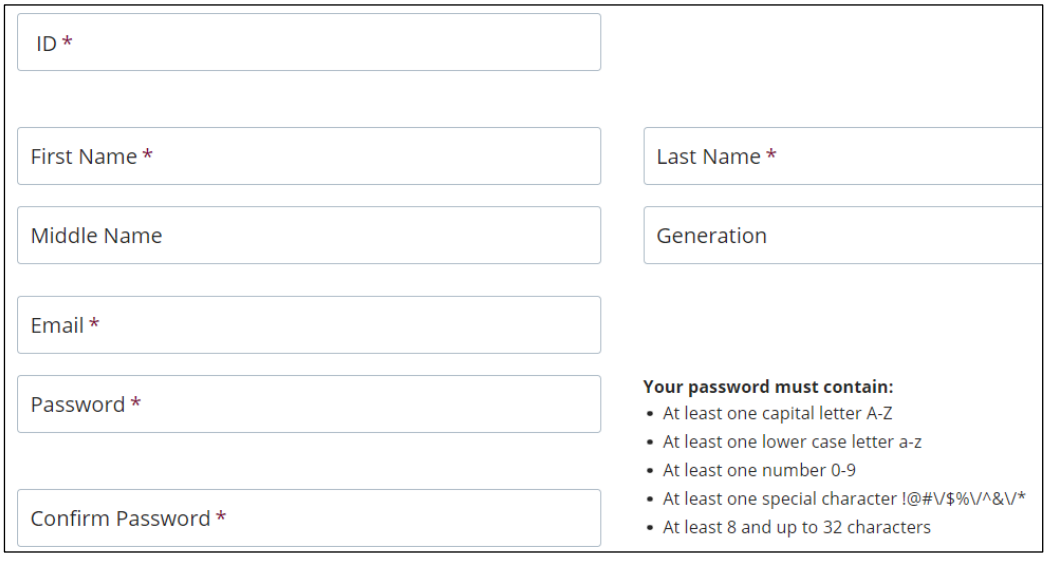
1. Go to: https://test-takers.psiexams.com/mare
2. Select **TESTS** to create an account.



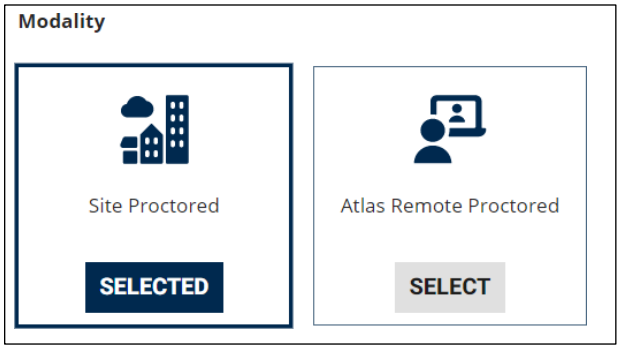
3. Select the examination and you are ready to create an account. Select **LOGIN/REGISTER.**



4. You will be prompted to **CREATE AN ACCOUNT** with PSI.
   The first and last name must match exactly with your current, valid, government-issued ID.

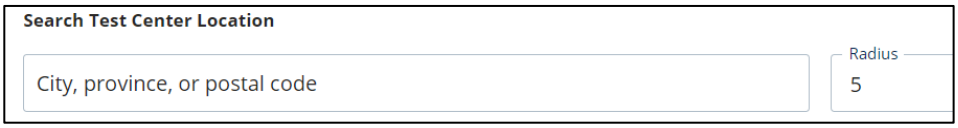


5. Select your test format: (Test Center) or (Remote Proctored).



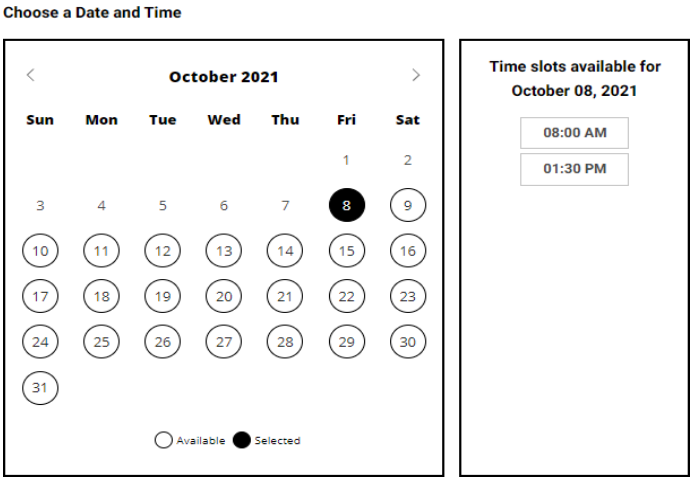
Scheduling at a Test Center

1. Enter the "City or Postal Code" and select **FIND**.

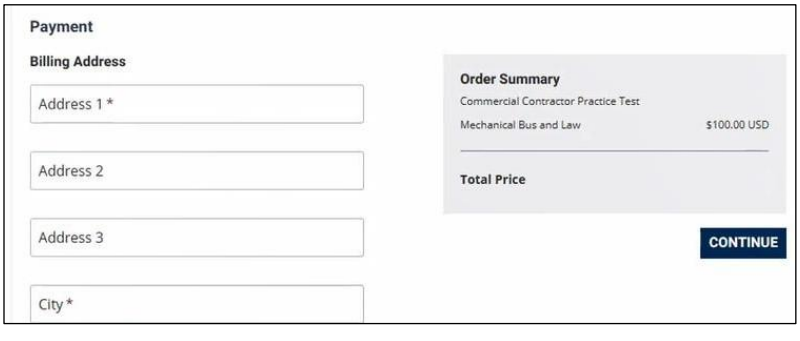




2. Select a date and time to book an appointment.



3. You are now ready to pay.

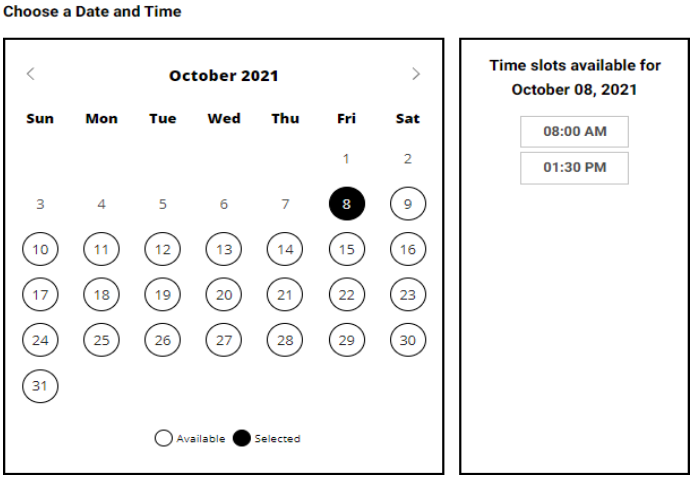


4. Once payment has been made you will receive a message confirming the test center, booked date, and booked time.

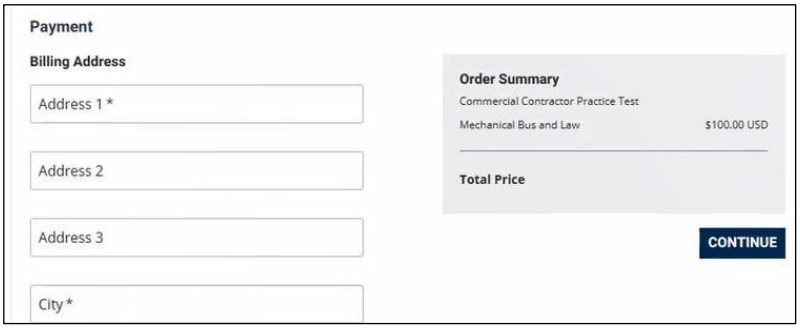


Scheduling via Remote Proctor

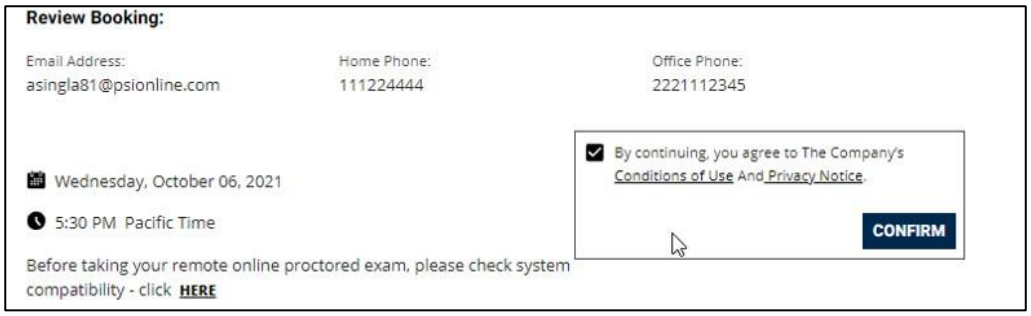
1. Select a date and time to book an appointment.



2. You are now ready to pay.

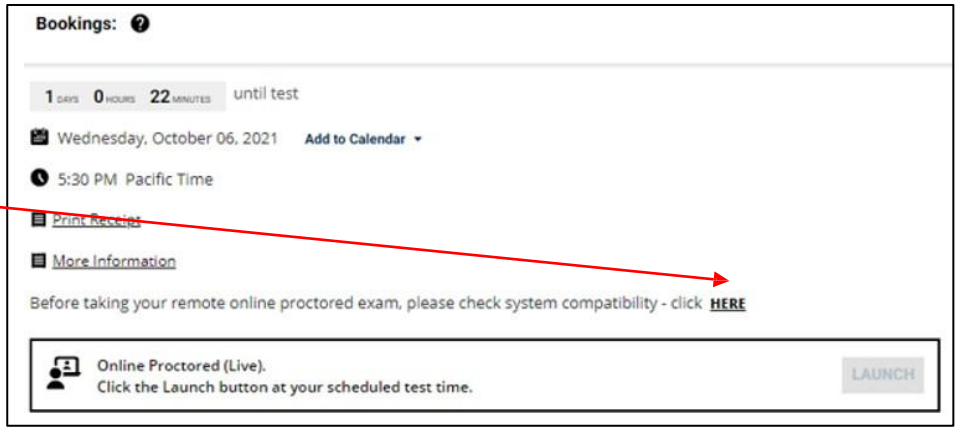


3. Once payment has been made you will receive a message confirming the booked date and booked time. Please review the booking before selecting **CONFIRM**.



4. Your booking will now display in your account. You will be able to LAUNCH your test within 30 minutes of your booked test time.

IMPORTANT: BE SURE TO CHECK THE COMPATIBILTY OF YOUR COMPUTER to include Audio/Video Check, Webcam Check and System Check. Prior to testing, **CLICK HERE**.



By not starting your test within 15 minutes after your booked time, you forfeit your test fee or test eligibility. Fees and test eligibilities are non-refundable. If you have any questions regarding your compatibility check, or if you experience issues launching your test, you may contact PSI's technical support team at (844) 267-1017.

TELEPHONE

The second fastest method of scheduling is via the telephone. Call (855) 340-3704, and speak with a live registrar, available Monday through Friday between 7:30 am and 10:00 pm, and Saturday-Sunday between 9:00 am and 5:30 pm, Eastern Time. To schedule by phone, you need a valid VISA, MasterCard, American Express or Discover.

RESCHEDULING/CANCELING AN EXAMINATION APPOINTMENT

PSI must receive your *cancellation at least two (2) days before the scheduled examination date*. For example, for a Monday appointment, you would need to cancel your appointment on or before the previous Saturday. To cancel an appointment, you can use PSI's web site or call PSI at (855) 340-3704 .

Note: You cannot cancel an appointment by leaving a voice mail message. You must use the PSI Website or speak directly to a PSI customer service representative.

RETAKING A FAILED EXAMINATION

You cannot make a new examination appointment on the same day you have taken an examination because we need time to process and report examination results. A candidate who fails an examination on a Wednesday can call the next day, Thursday, and can retest as soon as Friday, depending upon space availability.

MISSED APPOINTMENT OR LATE CANCELLATION

If you miss your appointment, you will forfeit your examination fee if you:

- Do not cancel your appointment at least two (2) days before the scheduled examination date;
- Do not appear for your examination appointment;
- Arrive after examination start time; or
- Do not present proper identification when you arrive for the examination.

EXAM ACCOMMODATIONS

All PSI examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and exam accommodations will be made in meeting a candidate's needs. Applicants with disabilities or those who would otherwise have difficulty taking the examination should request for alternative arrangements by clicking/going here Click Here. This must be completed prior to scheduling the exam.

EXAMINATION TEST CENTER CLOSING FOR AN EMERGENCY

In the event of severe weather or another emergency that forces the closure of an examination center on a scheduled examination date, your examination will be rescheduled. PSI personnel will attempt to contact you in this situation. However, you may check the status of your examination appointment by calling (855) 340-3704 or check the website at https://test-takers.psiexams.com/mare. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You will not be penalized. Your examination will be rescheduled at no additional charge to you.

EXAMINATION CENTER LOCATIONS

You must test in the state of Massachusetts.

Auburn
48 Sword St, Unit 204
Auburn, MA 01501

Boston
56 Roland St., Suite 305
Washington Crossing
Charlestown, MA 02129

Fall River
218 South Main St, Suite 105
Fall River, MA 02721
PAID PARKING VIA CASH ONLY

Lawrence
1 Ballard Way, Suite 104
Lawrence, MA 01843

West Springfield
1111 Elm Street, Suite 32A
West Springfield, MA 01089

REPORTING TO THE EXAMINATION CENTER

On the day of the examination, you should arrive at least thirty minutes before your examination appointment. This extra time is for sign-in and identification and familiarizing you with the examination process. **If you arrive late, you may not be admitted to the examination center and you will forfeit your exam fee.**

Candidates who do not present the REQUIRED MATERIALS upon entering the Test Center will be DENIED admission to the examination.

REQUIRED IDENTIFICATION

Candidates must register for the exam with their LEGAL first and last name as it appears on their government issued identification. All required identification below must match the first and last name under which the candidate is registered. Candidates are required to bring one (1) form of valid (non-expired) signature bearing identification to the test site.

PRIMARY IDENTIFICATION (with photo) – Choose One

- Government issued driver's U.S. Department of State Driver's License
- U.S. Learner's Permit (plastic card only with photo and signature)
- National/State/Country Identification Card
- US Government Issued Passport or Passport Card
- US Government Issued Military Identification Card
- US Government Issued Military Identification Card for spouses and dependents
- US Government Issued Alien Registration Card (Green Card, Permanent Resident Visa)

NOTE: ID must contain candidate's photo, be valid and unexpired.

NOTE: Candidates not presenting the appropriate identification or if the identification does not match exactly the registration information provided will be denied admission to the test center and will forfeit their examination fee.

SECURITY PROCEDURES

The following security procedures apply during examinations:

- An online calculator will be provided; personal calculators will not be permitted.
- You will be given a piece of scratch paper and a pencil. These will be returned to the proctor at the end of your examination.
- Candidates may take only approved items into the examination room.
- All personal belongings of candidates should be placed in the secure storage provided at each site prior to entering the examination room. Personal belongings **include**, **but are not limited to**, the following items:
  - **Electronic devices of any type, including cellular / mobile phones, recording devices, electronic watches, cameras, pagers, laptop computers, tablet computers (e.g., iPads), music players (e.g., iPods), smart watches, radios, or electronic games.**
  - **Bulky or loose clothing or coats** that could be used to conceal recording devices or notes. For security purposes outerwear such as, but not limited to: open sweaters, cardigans, shawls, scarves, vests, jackets and coats are not permitted in the testing room. **In the event you are asked to remove the outerwear, appropriate attire, such as a shirt or blouse should be worn underneath.**
  - **Hats or headgear not worn for religious reasons** or as religious apparel, including hats, baseball caps, or visors.
  - **Other personal items**, including purses, notebooks, reference or reading material, briefcases, backpacks, wallets, pens, pencils, other writing devices, food, drinks, and good luck items.
- Although secure storage for personal items is provided at the examination site for your convenience, PSI is not responsible for any damage, loss, or theft of any personal belongings or prohibited items brought to, stored at, or left behind at the examination site. PSI assumes no duty of care with respect to such items and makes no representation that the secure storage provided will be effective in protecting such items. If you leave any items at the examination site after your

examination and do not claim them within 30 days, they will be disposed of or donated, at PSI's sole discretion.

- Person(s) accompanying an examination candidate may not wait in the examination center, inside the building or on the building's property. This applies to guests of any nature, including drivers, children, friends, family, colleagues or instructors.
- No smoking, eating, or drinking is allowed in the examination center.
- During the check-in process, all candidates will be asked if they possess any prohibited items. Candidates may also be asked to empty their pockets and turn them out for the proctor to ensure they are empty. The proctor may also ask candidates to lift up the ends of their sleeves and the bottoms of their pant legs to ensure that notes or recording devices are not being hidden there.
- Proctors will also carefully inspect eyeglass frames, tie tacks, or any other apparel that could be used to harbor a recording device. Proctors will ask to inspect any such items in candidates' pockets.
- If prohibited items are found during check-in, candidates shall put them in the provided secure storage or return these items to their vehicle. PSI will not be responsible for the security of any personal belongings or prohibited items.
- Any candidate possessing prohibited items in the examination room shall immediately have his or her test results invalidated, and PSI shall notify the examination sponsor of the occurrence.
- Any candidate seen giving or receiving assistance on an examination, found with unauthorized materials, or who violates any security regulations will be asked to surrender all examination materials and to leave the examination center. All such instances will be reported to the examination sponsor.
- Copying or communicating examination content is a violation of a candidate's contract with PSI, and federal and state law. Either may result in the disqualification of examination results and may lead to legal action.
- Once candidates have been seated and the examination begins, they may leave the examination room only to use the restroom, and only after obtaining permission from the proctor. The candidate will not receive extra time to complete the examination.

TAKING THE EXAMINATION BY COMPUTER

The examination will be administered via computer. You will be using a mouse and computer keyboard.

TUTORIAL

Before you start your examination, an introductory tutorial is provided on the computer screen. The time you spend on this tutorial, up to 15 minutes, DOES NOT count as part of your examination time. Sample questions are included following the tutorial so that you may practice answering questions and reviewing your answers.

TEST QUESTION SCREEN

One question appears on the screen at a time. During the examination, minutes remaining will be displayed at the top of the screen and updated as you record your answers.

IMPORTANT: After you have entered your responses, you will later be able to return to any question(s) and change your response, provided the examination time has not run out.

EXAMINATION REVIEW

PSI, in cooperation with the Division of Occupational Licensure, will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. Comments may be entered by clicking the Comments link on the function bar of the test question screen. Your comments regarding the questions and the examinations are welcomed.

Comments will be analyzed by PSI examination development staff. While PSI does not respond to individuals regarding these comments, all substantive comments are reviewed. If an error affecting examination scores is discovered as a result, which occurs very rarely, the examination scores of all affected candidates will be automatically adjusted. **This is the only review of the examination available to candidates.**

PRACTICE TEST

Now you can take the practice exam online at https://test-takers.psiexams.com/mare to prepare for your Real Estate Examination.

Please note that practice exams are intended only to help testing candidates become familiar with the general types of questions that will appear on a licensing examination. They ARE NOT a substitute for proper education and study. Furthermore, scoring well on the practice exam does not guarantee a positive outcome on an actual licensing examination.

Note: You may take the practice exams an unlimited number of times; however, you will need to pay each time.

SCORE REPORTING

You need to score a minimum of 70% to pass. Your score will be displayed on screen at the end of the examination and a score report will be emailed to you. If you fail, the emailed score report will include the diagnostic report indicating your strengths and weaknesses by examination type. You may print your score report from your online account.

LICENSING

LICENSEES WHO HAVE BEEN ISSUED A MASSACHUSETTS LICENSE IN THE PAST MUST RENEW OR REINSTATE THAT LICENSE. THEY MAY NOT BECOME LICENSED ANEW. IN THE EVENT THAT THEY DO, THE NEW LICENSE IS INVALID AND WILL BE VOIDED BY THE BOARD UPON RECEIVING THE NEW RECORD.

Real estate candidates who meet all the licensing requirements And pass the exam will then pay their licensing fee via the eLIPSE platform and will receive a digital license 24 hours after passing the exam. This applies to applicants taking the exam at a testing center or virtually. License fees are prorated in accordance with Massachusetts General Law Chapter 112, Sections 87XX and 87ZZ.

The candidate is responsible for thoroughly reading this bulletin and arriving on the day of the examination. Candidates may call PSI at (855) 340-3704 with any questions about the process.

EXAMINATION CONTENT OUTLINES FOR SALESPERSON AND BROKER

The Examination Content Outlines have been approved by the Division of Occupational Licensure. These outlines reflect the minimum knowledge required by real estate licensees to perform their duties to the public in a competent and responsible manner. Changes in the examination content will be preceded by changes in these published examination content outlines.

Use the outlines as the basis of your study. The outlines list all the topics that are on the examination and the number of items for each topic. Do not schedule your examination until you are familiar with all topics in the outlines.

Examination	Portion	Number of Questions (Points)	Time Allowed
Salesperson	General	80 (80 points)	150 Minutes
	State	40 (40 points)	90 Minutes
	Both	120 (120 points)	240 Minutes
Broker	General	75* (80 points)	150 Minutes
	State	40 (40 points)	90 Minutes
	Both	120 (120 points)	240 Minutes

*Note: General broker exams include questions that are scored up to two points.

EXPERIMENTAL QUESTIONS

In addition to the number of questions per examination, a small number of one to ten experimental items, generally, approximately 10% of the number of questions, may be administered to candidates during the examination. These questions will not be scored. However, these questions will count against examination time. The administration of such unscored, experimental questions is an essential step in developing future licensing examinations.

GENERAL PORTION
(REAL ESTATE PRINCIPLES AND PRACTICES)

I. Property Ownership *(Sales 10%, Broker 10%)*

A. Real and personal property; conveyances

B. Land characteristics and legal descriptions

1. Metes and bounds method of legal property description
2. Lot and block (recorded plat) method of legal property description
3. Government survey (rectangular survey) method of legal property description
4. Measuring structures (linear and square footage)
5. Land measurement

C. Encumbrances and effects on property ownership

1. Types of liens and their effect on the title and value of real property
2. Easements, rights of way and licenses, including their effect on the title, value and use of real property
3. Encroachments and their effect on the title, value and use of real property
4. Potential encumbrances on title, such as probate, leases, or adverse possession
5. Property rights that may be conveyed separately from use of the land surface, such as mineral and other subsurface rights, air rights, or water rights

D. Types of ownership

1. Ownership in severalty/sole ownership
2. Implications of ownership as tenants in common
3. Implications of ownership in joint tenancy
4. Forms of common-interest ownership, such as Timeshares, Condominiums and Co-ops
5. Property ownership held in a trust or by an estate
6. Ownership by business entities
7. Life Estate ownership

II. Land use Controls *(Sales 5%, Broker 5%)*

A. Government rights in land

1. Government rights to impose property taxes and special assessments
2. Government rights to acquire land through eminent domain, condemnation and escheat

B. Government controls on land use

C. Private controls

1. Deed conditions or restrictions on property use
2. Subdivision covenants, conditions and restrictions (CC&Rs) on property use
3. Condominium and owners' associations regulations or bylaws on property use

III. Valuation *(Sales 8%, Broker 8%)*

A. Appraisals

1. Appraisals for valuation of real property
2. Situations which require appraisal by a licensed or certified appraiser and brokerage-related actions that constitute unauthorized appraisal practice
3. General steps in appraisal process

B. Estimating Value

1. Economic principles and property characteristics that affect value of real property
2. Sales or market comparison approach to property valuation and appropriate uses
3. Cost approach to property valuation and appropriate uses
4. Income analysis approach to property valuation and appropriate uses

C. Comparative Market Analysis (CMA)

1. Competitive/Comparative Market Analysis (CMA), BPO or equivalent
2. Automated Valuation Method (AVM), appraisal valuation and Comparative Market Analysis (CMA)

IV. Financing *(Sales 10%, Broker 9%)*

A. Basic Concepts and Terminology

1. Loan financing (for example, points, LTV, PMI, interest, PITI)
2. General underwriting process (e.g., debt ratios, credit scoring and history)
3. Standard mortgage/deed of trust clauses and conditions
4. Essential elements of a promissory note

B. Types of Loans

1. Conventional loans
2. Amortized loans, partially amortized (balloon) loans, interest-only loans
3. Adjustable-rate mortgage (ARM) loans
4. Government Loans
    a. FHA insured loans
    b. VA guaranteed loans
    c. USDA/Rural Development loan programs
    a. Owner financing (for example, installment or land contract/contract for deed)
    b. Reverse-mortgage loans
    c. Home equity loans and lines of credit
    d. Construction loans
    e. Rehab loans
    f. Bridge loans

C. Financing and Lending

1. Real Estate Settlement Procedures Act (RESPA), including kickbacks
2. Truth-in-Lending Act (Regulation Z), including advertising
3. Requirements and time frames of TRID (TILA-RESPA Integrated Disclosures)

4. Equal Credit Opportunity Act
5. Lending Process (application through loan closing)
6. Risky loan features, such as prepayment penalties and balloon payments

V. Contracts *(Sales 19%, Broker 19%)*

A. General Contract Law

1. General principles of contract law
2. Elements necessary for a contract to be valid
3. Effect of the Statute of Frauds
4. Offer and a contract
5. Enforceability of contracts
6. Void, voidable and unenforceable contracts
7. Bilateral and unilateral contracts
8. Nature and use of option agreements
9. Notice, delivery, acceptance and execution of contracts
10. Appropriate use, risks, and advantages of electronic signatures and paperless transactions
11. Rights and obligations of the parties to a contract
12. Possible remedies for breach or non-performance of contract
13. Termination, rescission and cancellation of contracts

B. Purchase and Lease Contracts

1. Addenda and amendments to contracts
2. Purchase agreements
3. Contract contingencies and methods for satisfying them
4. Leases and rental agreements
5. Lease-purchase agreements
6. Types of leases

C. Proper handling of multiple offers and counteroffers

VI. Agency *(Sales 13%, Broker 13%)*

A. Agency and non-agency relationships

1. Agency relationships and how they are established
2. Types of listing contracts
3. Buyer brokerage/tenant representation contracts
4. Other brokerage relationships, including transaction brokers and facilitators
5. Powers of attorney and other assignments of authority
6. Conditions for termination of agency or brokerage service agreements

B. Agent Duties

1. Fiduciary duties of agents
2. Agent's duties to customers/non-clients, including honesty and good faith

C. Agency Disclosures

1. Disclosure of agency/representation
2. Disclosure of possible conflict of interest or self-interest

VII. Property Disclosures *(Sales 7%, Broker 7%)*

A. Property Condition

1. Seller's property condition disclosure requirements
2. Property conditions that may warrant inspections or a survey
3. Red flags that warrant investigation of public or private land use controls

B. Environmental and Government Disclosures

1. Environmental issues requiring disclosure
2. Federal, state, or local disclosure requirements regarding the property

C. Disclosure of material facts and material defects

VIII. Property Management *(Sales 3%, Broker 5%)*

A. Duties and Responsibilities

1. Procurement and qualification of prospective tenants
2. Fair housing and ADA compliance specific to property management
3. How to complete a market analysis to identify factors in setting rents or lease rates
4. Property manager responsibility for maintenance, improvements, reporting and risk management *(BROKER ONLY)*
5. Handling landlord and tenant funds; trust accounts, reports and disbursements *(BROKER ONLY)*
6. Provisions of property management contracts *(BROKER ONLY)*

B. Landlord and tenant rights and obligations

IX. Transfer of Title *(Sales 6%, Broker 6%)*

A. Types of deeds

B. Title Insurance and Searches

1. Title insurance policies and title searches
2. Potential title problems and resolutions
3. Marketable and insurable title

C. Closing Process

1. When transfer of ownership becomes effective
2. Process and importance of recordation
3. Settlement procedures (closing) and parties involved
4. Home and new construction warranties

D. Special Processes

1. Special issues in transferring foreclosed properties
2. Special issues in short sale transactions
3. Special issues in probate transactions

X. Practice of Real Estate *(Sales 12%, Broker 12%)*

A. Antidiscrimination

1. Federal Fair Housing Act general principles and exemptions
2. Protected classes under Federal Fair Housing Act

3. Protections against discrimination based on gender identity and sexual orientation
4. Prohibited conduct under Federal Fair Housing Act (Redlining, Blockbusting, Steering, Disparate Treatment)
5. Fair housing advertising rules
6. Americans with Disabilities Act (ADA) obligations pertaining to accessibility and reasonable accommodations

B. Legislation and Regulations

1. Licensees' status as employees or independent contractors
2. Antitrust laws and types of violations, fines and penalties
3. Do-Not-Call List rule compliance
4. Proper use of Social Media and Internet communication and advertising

C. Duties and Responsibilities

1. Protection of confidential personal information (written, verbal or electronic)
2. Duties when handling funds of others in transactions
3. Licensee responsibility for due diligence in real estate transactions

D. Supervisory Responsibilities *(BROKER ONLY)*

1. Broker's supervisory responsibilities (licensees, teams and unlicensed assistants and employees) *(BROKER ONLY)*
2. Broker relationship with licensees (employees or independent contractors and governing rules) *(BROKER ONLY)*

XI. Real Estate Calculations *(Sales 7%, Broker 6%)*

A. Calculations for Transactions

1. Seller's net proceeds
2. Buyer funds needed at closing
3. Real property tax and other prorations
4. Real property transfer fees
5. PITI (Principal, Interest, Taxes and Insurance) payments estimate given loan rate and term

B. General Concepts

1. Equity
2. Rate of return/Capitalization rate
3. Loan-to-Value ratio
4. Discount points and loan origination fees

STATE PORTION (MASSACHUSETTS STATE REAL ESTATE LAWS AND REAL ESTATE BOARD RULES)

I. DUTIES AND POWERS OF THE BOARD OF REGISTRATION OF REAL ESTATE BROKERS AND SALESPERSONS (5%)(SALESPERSONS: 2 ITEMS; BROKERS: 2 ITEMS)

A. Examination of records (e.g., broker/brokerage records)
1. Escrow funds (Broker only)

B. Sanctions
1. Fines
2. Continuing education violation
3. Probation
4. License suspension and revocation

II. REQUIREMENTS FOR LICENSING (8%) (SALESPERSONS: 3 ITEMS; BROKERS: 3 ITEMS)

A. Activities requiring a license

B. Types of licenses
1. Active, inactive, and expired

C. License renewal and continuing education

D. Board notifications (e.g., affiliation, contact information, disciplinary action, criminal convictions)

III. REQUIREMENTS GOVERNING LICENSEES (30-33%) (SALESPERSONS: 12 ITEMS; BROKERS: 13 ITEMS)

A. Advertising
1. False or misleading advertising
2. Broker identification
3. Salesperson prohibition
4. Discriminatory advertising prohibition

B. Broker/salesperson affiliated relationship

C. Compensation
1. Sharing of fees
2. Net listings

D. Disclosures
1. Consumer/Licensee Relationship
2. Conflict of interest
3. Rental fee disclosures

E. Agency and Non-Agency Relationships
1. Non-designated
2. Designated
   - Consent and notice
3. Seller agency
4. Buyer agency
5. Dual agency
   - Consent and notice
6. Facilitator
7. Sub-agency

F. Handling of documents (e.g., contract to purchase, purchase and sale)

G. Handling of funds (e.g., transaction pendency and immediate deposit, salesperson prohibition on holding funds)

H. Record Keeping (Broker only)

I. Home inspectors--licensee responsibility

IV. CONTRACTS (8%)(SALESPERSONS: 3 ITEMS; BROKERS: 3 ITEMS)

A. Offer to Purchase

B. Purchase and Sale agreement

C. Leases (e.g., fixed term, tenancy at will)
D. Landlord and tenant representation agreements
E. Seller and Buyer Representation Agreements
F. Facilitation agreements

V. CONSUMER PROTECTION LAWS (10-12%) (SALESPERSONS: 5 ITEMS; BROKERS: 4 ITEMS)

A. Property disclosures (e.g., material defects, stigmatized properties, radon, mold)
B. Misrepresentation
C. Privacy (e.g., Written Information Security Policy [WISP])
D. Sanctions and enforcements

VI. ENVIRONMENTAL ISSUES AND HAZARDOUS MATERIALS (8%) (SALESPERSONS: 3 ITEMS; BROKERS: 3 ITEMS)

A. Lead (e.g., paint, pipes, water, soil)
1. Sales vs rental
B. Private sewage disposal (e.g., Title 5, septic, cesspools)
C. Smoke and carbon monoxide detection
D. Wetlands and rivers protection

VII. MASSACHUSETTS FAIR HOUSING LAW (15%) (SALESPERSONS: 6 ITEMS; BROKERS: 6 ITEMS)

A. Massachusetts protected classes
B. MA Commission Against Discrimination
C. ADA and other accommodations (e.g., accessibility, service animals, emotional support animals)
D. Sanctions

VIII. LANDLORD TENANT LAW (10%) (SALESPERSONS: 4 ITEMS; BROKERS: 4 ITEMS)

A. Rental deposits, Receipts and Statement of Condition
B. State Sanitary Code

IX. ADDITIONAL TOPICS (5%) (SALESPERSONS: 2 ITEMS; BROKERS: 2 ITEMS)

A. Condominiums and Cooperatives
B. Legal Descriptions
C.

SAMPLE QUESTIONS

The following questions are offered as examples of the types of questions you will be asked during the course of the National Real Estate Broker and Salesperson examinations. They are intended primarily to familiarize you with the style and format of questions you can expect to find in the examinations. The examples do NOT represent the full range of content or difficulty levels found in the actual examinations.

SAMPLE QUESTIONS

A. Which of the following interests in property is held by a person who is granted a lifetime use of a property that will be transferred to a third party upon the death of the lifetime user?
1. A life estate.
2. A remainder estate.
3. An estate for years.
4. A reversionary estate.

B. Which of the following statements BEST identifies the meaning of the term, "rescission of a contract"?
1. A ratification of a contract by all parties.
2. A return of all parties to their condition before the contract was executed.
3. A transfer or assignment of a particular responsibility from one of the parties to another.
4. A review of the contract by the legal counsel of either party that may result in a cancellation without penalty or further obligation.

C. Which of the following clauses in a mortgage allows the lender to demand loan repayment if a borrower sells the property?
1. Defeasance
2. Prepayment
3. Acceleration
4. Alienation

D. How much cash MUST a buyer furnish in addition to a $2,500 deposit if the lending institution grants a 90% loan on an $80,000 property?
1. $5,500.
2. $6,975.
3. $7,450.
4. None of the above.

E. Which of the following single-family residences would get the MOST accurate appraisal by applying the reproduction cost approach to value?
1. A rental property.
2. A vacant property.
3. A new property.
4. An historic property.

Answers to Sample Broker Questions:
A: 1; B: 2; C: 4; D: 1; E: 4

SAMPLE BROKER QUESTIONS (SCENARIO-BASED)

PSI National Real Estate Broker Examination Instruction

IMPORTANT

Test questions appear on the screen **ONE AT A TIME**. A question may have an associated graphic displayed on the screen, or it may direct the candidate to reference material, such as a chart or diagram.

Each question may contain up to **EIGHT** options and **ONLY ONE BEST** option shall be selected to answer the question. Some options are appropriate but **NOT** the **BEST ANSWER**. Please select the option that best answers the question in the exam. A **BEST ANSWER** reflects the optimal solution or most complete resolution to the scenario presented in the question.

Scenario:

You are hosting an open house. Mr. and Mrs. Charles Martin come into the house. You greet them and show them the house. The Martins tell you the house is exactly what they are looking for and they are very interested in purchasing it. You then give them information showing the various types of financing available with down payment options and projected payments.

Mr. Martin tells you they have been working with Mary Hempstead of XX Realty, a competing real estate company. Before leaving, you thank them for coming and give them your business card.

A. The first thing on Monday morning, Mrs. Martin calls and indicates they have tried to reach Mary and cannot. They indicate they have a written buyer's agent agreement with Mary's broker. They are afraid someone else is going to buy the house. Which of the following should you do? Select the best answer.

1. Seek advice from your supervising broker.
2. Tell them to come to your office.
3. Ask them to bring the buyer's agency agreement to you for your interpretation.
4. Tell them to be patient and continue trying to reach Mary.
5. Tell them to call Mary's supervising broker or branch manager.
6. Tell them you are really sorry, but there is nothing you can do.

B. The Martins come to your office and explain that neither Mary nor her supervising broker are available. They insist you immediately write an offer for the house. How should you proceed? Select the best answer.
   1. Write the offer after entering into a buyer's broker agreement with them.
   2. Write the offer after explaining they may owe Mary's broker a commission.
   3. Write the offer after trying to contact Mary's broker yourself.
   4. Refuse to write an offer and explain that doing so would be unethical.
   5. Refuse to write and offer since it would be illegal.
   6. Refuse to write the offer and tell the Martins to contact another Broker in Mary's office.

Answers (Points) to Sample Principal Broker Questions:

A. 1 (2 points), 2 (1 point), 3 (0 point)
4 (0 point), 5 (1 point) , 6 (0 point)

1 (1 point), 2 (2 points), 3 (1 point)
4 (0 point), 5 (0 point) , 6 (0 point)