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<https://test-takers.psiexams.com/dcre>



District of Columbia

Real Estate Commission

## REAL ESTATE LICENSE EXAMINATION CANDIDATE INFORMATION BULLETIN

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Please refer to our website to check for the most updated information at <https://test-takers.psiexams.com/dcre>

## FIRST-TIME APPLICANTS: SALESPERSON, BROKERS AND PROPERTY MANAGERS

### SALESPERSON APPLICANTS MUST:

1. Complete 60-hour Salesperson pre-licensing education. For real estate pre-licensing course providers, visit <https://govservices.dcr.dcgov/newoplalicensess>.
2. Schedule the DC real estate licensing examination by visiting <https://test-takers.psiexams.com/dcre> or call PSI at (855) 557-0616. **Be sure to request a Salesperson exam.**
3. Report to test center at least thirty (30) minutes before the examination begins.
  - Candidates should bring: Proper identification that confirms their age as at least 18 years old.
  - The name on your identification must match the name on the reservations. Reservations are to be made in your Legal Name.
  - Provide evidence of completion of the 60 hour Salesperson pre-licensing course.
4. Apply for a license upon passing the national and state portions of the examination by going to <https://govservices.dcr.dcgov/newoplalicensess> in order to complete the application on-line. Complete instructions for the filing of the application can be found at <https://govservices.dcr.dcgov/newoplalicensess>. At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 202-442-4320 or by chatting live with a Customer Service Representative through our website <https://govservices.dcr.dcgov/newoplalicensess>.

### BROKER APPLICANTS MUST:

All broker applicants must first have both a salesperson license and two years' experience as a Salesperson before applying for a broker license. If you are an out-of-state applicant you must have two years' experience as a licensed salesperson in your own jurisdiction.

1. Complete 135-hour Broker pre-licensing education. See <https://govservices.dcr.dcgov/newoplalicensess> for a list of approved Pre-Licensing Education Providers.
2. Schedule the DC real estate licensing examination by visiting <https://test-takers.psiexams.com/dcre> or call PSI at (855) 557-0616. **Be sure to request a Broker exam.**
3. Report to the test center at least thirty (30) minutes before the examination begins.
  - Candidates should bring: Proper identification that confirms their age of at least 18 years old.
  - The name on your identification must match the name on the reservation. Reservations are to be in your Legal Name.
4. Provide evidence of completion of the 135-hour Broker pre-licensing course.
5. Apply for a license upon passing the national and state portions of the examination. Please go to <https://dcr.dcgov/> in order to file your application on line. Complete instructions for the filing of the application can be found at <https://dcr.dcgov/>. At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 202-442-4320 or by

chatting live with a Customer Service Representative through our website,

<https://govservices.dcr.dcgov/newoplalicensess>.

- Submit proof of 2 consecutive years' experience as an active salesperson immediately preceding date of application.
- Obtain an original Letter of Certification from your original licensing jurisdiction. (It must be dated within 90 days) Contact your jurisdiction's real estate commission to order Certification. Pocket cards are not accepted.

### PROPERTY MANAGER APPLICANTS MUST:

Successful completion of the DC Property Manager examination is mandatory for licensure. pre-license education is not required for Property Managers; however, see Pre-Licensing Education Providers List info found at <https://govservices.dcr.dcgov/newoplalicensess> should you desire property management pre-licensing education.

1. Obtain Property Manager Study Guide to study for examination at this link <https://govservices.dcr.dcgov/newoplalicensess>.
2. Schedule the DC real estate licensing examination by visiting <https://test-takers.psiexams.com/dcre> or call PSI at (855) 557-0616. **Be sure to request a Property Manager exam.**
3. Report to test center at least thirty (30) minutes before the examination begins.
  - Candidates should bring proper identification which confirms their age as at least 18 years old. The name on your identification must match the name on the reservations. Reservations are to be made in your Legal Name.
4. Upon passing the examination you may apply on-line at <https://govservices.dcr.dcgov/newoplalicensess>. Complete instructions for the filing of the application can be found <https://govservices.dcr.dcgov/newoplalicensess>. At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 202-442-4320 or by chatting live with a Customer Service Representative through our website, <https://govservices.dcr.dcgov/newoplalicensess>.

## RECIPROCITY APPLICANTS

- **BROKERS OR SALESPERSONS CURRENTLY LICENSED IN VIRGINIA.**
- **BROKERS CURRENTLY LICENSED IN MARYLAND.**
- **SALESPERSONS CURRENTLY LICENSED IN MARYLAND (From 1996 to Present).**

1. Complete a 3 hr DCREC approved DC Fair Housing course. See **Finding Fair Housing Course Offerings** at <https://govservices.dcr.dcgov/newoplalicensess>.
2. Obtain an original Letter of Certification from your original licensing jurisdiction. (Dated within 90 days) Contact your jurisdiction's real estate commission to order Certification. Pocket cards are not accepted.
3. Obtain DC regulations document to study for examination. You can access the "*Real Estate Legislation*" <https://govservices.dcr.dcgov/newoplalicensess>.

- Schedule the DC real estate licensing examination by visiting <https://test-takers.psiexams.com/dcre> or call PSI at (855) 557-0616. Be sure to **request either Broker or Salesperson state exam only**.

Apply for a license upon passing the state portion of the examination at <https://govservices.dcre.dc.gov/newoplallicenses>. Complete instructions for the filing of the application can be found at <https://govservices.dcre.dc.gov/newoplallicenses>. At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 202-442-4320 or by chatting live with a Customer Service Representative through our website, <https://govservices.dcre.dc.gov/newoplallicenses>.

## ENDORSEMENT APPLICANTS

- **BROKERS OR SALESPERSONS CURRENTLY LICENSED IN ANY JURISDICTION OTHER THAN MARYLAND OR VIRGINIA.**
- **SALESPERSONS CURRENTLY LICENSED IN MARYLAND BEFORE 1996.**

Endorsement applicants may be allowed to waive pre-licensing education requirements, experience requirements, and the national portion of the DC real estate examination. At the date of licensure, the original jurisdiction's national exam standards, including scoring, must have been substantially equivalent to District's exam standards.

**All applicants are required to take the DC law examination and obtain a minimum 75 percent passing score.**

- Broker applicants must meet The District's 135-hour requirement plus submit two (2) consecutive years of active Sales experience immediately preceding the application.
- Salesperson applicants must meet or exceed the District's 60-hour pre-licensing education requirements in the jurisdiction from which they are applying.
- Complete a 3 hr DCREC approved DC Fair Housing course. See Finding Fair Housing Course Offerings at <https://govservices.dcre.dc.gov/newoplallicenses>.
- Obtain an original Letter of Certification from your original licensing jurisdiction. (Dated within 90 days). Contact your jurisdiction's real estate commission to order Certification. Pocket cards are not accepted.
- Obtain DC regulations document to study for examination. You can access the "*Real Estate Legislation*" <https://govservices.dcre.dc.gov/newoplallicenses>.
- Schedule the DC real estate licensing examination by visiting <https://test-takers.psiexams.com/dcre> or call PSI at (855) 557-0616. **Be sure to request either Broker or Salesperson state exam only**.
- Apply for a license upon passing the state portion of the examination at <https://govservices.dcre.dc.gov/newoplallicenses>. Complete instructions for the filing of the application can be found at <https://govservices.dcre.dc.gov/newoplallicenses>. At any point, if you need assistance or if you have questions, you may call DCOPLA Customer Service at 202-442-4320 or by chatting with a live Customer Service Representative through website,

<https://govservices.dcre.dc.gov/newoplallicenses>. The following documents are required to be submitted with your application:

- Original letter of certification from your original licensing jurisdiction (dated within 90 days of the date of your application).
- Copies of continuing education certificates for courses completed in the last two years.
- A professional resume or biography.
- A detailed description of the pre-licensing course you completed (include subject areas studied.) This section **does not** apply to Maryland salesperson applicants.

DCREC will review complete Endorsement Applications after completion of the examination and submission of a complete application. If an applicant does not fulfill the requirements for endorsement, DCOPLA will provide information regarding additional requirements that must be met to be licensed. Complete requirements can be found at <https://govservices.dcre.dc.gov/newoplallicenses>.

## STUDY MATERIALS

Obtain DC regulations document to study for the examination. You can access the "*Real Estate Legislation and Regulations*" at this link <https://govservices.dcre.dc.gov/newoplallicenses>. This is the ONLY Commission supplied material for use in preparing for the law portion of the DC real estate examination.

## RENEWALS REQUIREMENTS

### CONTINUING EDUCATION AND RENEWAL REQUIREMENTS

The renewal cycle for DC real estate licensees spans every two years on the odd years.

- Broker and Property Manager Licenses expire on February 28 of the odd year (e.g. Brokers and Property Manager License cycle is 3/1/2017 through 2/28/2019)
- Salespersons licenses expire August 31 of the odd year (e.g., Salesperson license cycle is 9/1/2017 through 8/31/2019). Licensees are required to take 15 hours of continuing education (CE) coursework within each 2-year licensing cycle.
- Newly licensed brokers, salespersons and property managers are exempt from taking CE courses for the remainder of a licensing cycle during which their license is obtained, but are required to renew the license when that first cycle ends. Prohibitions for working after license expiration include heavy fines and other reprimands.
- All DC licensed Salespersons must be affiliated with a DC licensed Broker.

### MAILING ADDRESS AND WEBSITE

- The DC Real Estate Commission convenes the 2nd Tuesday of each month (recess August).
- Submit applications fifteen (15) business days prior to meetings and are required to be submitted on-line at <https://govservices.dcre.dc.gov/newoplallicenses>.

For questions, you may call the DCOPLA Education Department on 202-442-4320.

## EXAMINATION FEES AND SCHEDULING PROCEDURES

EXAMINATION FEE	\$69
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The examination fee is \$69 regardless if you are taking one portion or both portions.

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

Candidates who fail one portion of the examination and pass the other need retake only the portion they failed. Any failed portion must be passed within six (6) months of the first examination attempt. Candidates must apply for a license within 6 months of the passing examination date.

### INTERNET SCHEDULING

For the fastest and most convenient examination scheduling process, PSI recommends that you register for your examinations using the Internet. You register online by accessing PSI's registration website at <https://test-takers.psiexams.com/dcre>. Internet registration is available 24 hours a day.

Log onto PSI's website and select Sign in / Create Account. Select Create Account. You are now ready to pay and schedule for the exam.

### TELEPHONE SCHEDULING

PSI registrars are available (855) 557-0616, 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 will need a valid credit/debit card (VISA, MasterCard, American Express or Discover.)

### CANCELING AN EXAMINATION APPOINTMENT

You may cancel and reschedule an examination appointment without forfeiting your fee if your cancellation notice is received a minimum of 2 calendar days before the scheduled examination date. For example, for a Monday appointment, the cancellation notice would need to be received on the previous Saturday. You may reschedule online at <https://test-takers.psiexams.com/dcre> or call PSI at (855) 557-0616.

**Note:** A voice mail message is not an acceptable form of cancellation. Please use the PSI Website or call PSI and speak directly to a Customer Service Representative.

### MISSED APPOINTMENT OR LATE CANCELLATION

Your registration will be invalid, you will not be able to take the examination as scheduled, and you will forfeit your examination fee, if you:

- Do not cancel your appointment 2 calendar days before the scheduled examination date;

- Do not appear for your examination appointment;
- Arrive after examination start time;
- Do not present proper identification when you arrive for the examination. See page 5 for specific requirements.

### EXAMINATION 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. PSI approves Exam Accommodation requests. Applicants with disabilities or those who would otherwise have difficulty taking the examination should request for alternative arrangements by [Clicking Here](#).

### EXAMINATION SITE CLOSING FOR AN EMERGENCY

In the event that severe weather or another emergency forces the closure of an examination site 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 schedule by going to our website, <https://test-takers.psiexams.com/dcre> or by calling (855) 557-0616. Every effort will be made to reschedule your examination at a convenient time as soon as possible.

### EXAMINATION SITE LOCATION

Department of Consumer and Regulatory Affairs  
Occupational and Professional Licensing Administration  
1100 4<sup>th</sup> Street, SW  
Suite E 500  
Washington DC 20024  
Metro: Waterfront - Green Line

Additionally, PSI has examination centers in many other regions across the United States. You may take this examination at any of these locations. Once you have paid for the examination, enter your zip code and a list of the testing sites closest to you will appear.

## REPORTING TO THE EXAMINATION SITE

On the day of the examination, you should arrive at least 30 minutes before your appointment time. This extra time is for sign-in, identification, and familiarizing you with the examination process. *If you arrive late, you will not be admitted to the examination site and you will forfeit your examination registration fee.*

### REQUIRED IDENTIFICATION AT EXAMINATION SITE

You must provide 2 forms of identification. One must be a VALID form of government issued identification (driver's license, state ID, passport), which bears your signature and has your photograph. In addition, it must be current and unexpired. The second ID must have your signature and preprinted legal name.

#### PRIMARY IDENTIFICATION (with photo) - Choose One

- State issued driver's license
- State issued identification card
- US Government Issued Passport

- US Government Issued Military Identification Card
  - US Government Issued Alien Registration Card
- NOTE: ID must contain candidate's photo, be valid and unexpired.

**SECONDARY IDENTIFICATION - Choose One**

- Credit Card (must be signed)
- Debit Card (must be signed)
- Wholesale store card (COSTCO, Sam's, etc.) (must be signed)

**NEW REAL ESTATE LICENSE APPLICANTS: YOU MUST ALSO PROVIDE A COURSE COMPLETION CERTIFICATE FROM 60 HOUR SALESPERSON PRE-LICENSING EDUCATION COURSE OR 135 HOUR BROKER'S PRE-LICENSING EDUCATION COURSE**

**ENDORSEMENT LICENSE APPLICANTS: YOU MUST ALSO BRING THE LICENSE FROM THE STATE YOU ARE LICENSED IN AND AN ORIGINAL COPY OF YOUR DC FAIR HOUSING CERTIFICATE**

**RECIPROCITY LICENSE APPLICANTS: YOU MUST ALSO BRING YOUR VIRGINIA OR MARYLAND LICENSE WITH AN ORIGINAL COPY OF YOUR DC FAIR HOUSING CERTIFICATE**

If you cannot provide the required identification, you must call (855) 557-0616 at least 3 weeks prior to your scheduled appointment to arrange a way to meet this security requirement. *Failure to provide all of the required identification at the time of the examination without notifying PSI is considered a missed appointment, and you will not be permitted to take the examination.*

**SECURITY PROCEDURES**

The following security procedures will apply during the examination:

- A calculator will be provided to you at check-in. You will return this to the proctor at the end of the examination.
- A piece of scratch paper and a pencil will be provided to you at check-in. You will return this to the proctor at the end of the examination.
- Candidates may take only approved items into the examination room.
- All personal belongings of candidates, with the exception of close-fitting jackets or sweatshirts, 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, including coats, shawls, hooded clothing, heavy jackets, or overcoats.
  - 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.
- 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 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. Candidate will not receive extra time to complete the examination.

**TAKING THE EXAMINATION**

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 District of Columbia Real Estate Commission (DCREC), 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.**

Now you can take the practice exam online at <https://test-takers.psiexams.com/dcre> 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**

Your score will be given to you immediately following completion of the examination. You need to score a minimum of 75% correct to pass. The following summary describes the score reporting process:

- If you **pass**, you will receive a successful score report.
- If you **do not pass**, you will receive a diagnostic report indicating your strengths and weaknesses by examination type on the score report.

## DUPLICATE SCORE REPORTS

You may request a duplicate score report after your examination by emailing [scorereport@psionline.com](mailto:scorereport@psionline.com) or by calling (855) 557-0616.

## **PREPARATION TIPS FOR THE WRITTEN EXAMINATION**

The following suggestions will help you prepare for the examination.

- Planned preparation increases your likelihood of passing.
- Start with a current copy of this Candidate Information Bulletin and use the examination content outline as your starting point.
- Take notes on what you study. Putting information in writing helps you commit it to memory, and it is also an

excellent business practice. Underline or highlight key ideas that will help with a later review.

- Discuss new terms or concepts as frequently as you can with colleagues. This will test your understanding and reinforce ideas.
- Your studies will be most effective if you study frequently, for periods of about 45 to 60 minutes. Concentration tends to wander when you study for longer periods of time.

## **EXAMINATION CONTENT OUTLINES FOR SALESPERSON AND BROKER**

The Examination Content Outlines have been approved by The District of Columbia Real Estate Commission. These outlines reflect the minimum knowledge required by real estate professionals 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.

The law portion of the examination has been developed to reflect the laws, regulations, and practice of real estate in the District of Columbia and has been reviewed and approved by real estate professionals in the District of Columbia.

### **MATH CALCULATIONS**

**The information below is NOT available at the test center and should be memorized.**

Candidates may use the following information in making mathematical calculations on the general section of the real estate examinations unless otherwise stated in the text of the question:

- 43,560 square feet/acre
- 5,280 feet/mile
- Round off calculations (where applicable)

**The information below, if needed, will be contained within the test itself:**

*If a question requires the calculation of prorated amounts, the question will specify:*

- a) whether the calculation should be made on the basis of 360 or 365 days a year; and*
- b) whether the day of closing belongs to the buyer or seller.*

Use the outlines as the basis of your study. The outlines list all of 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 SUMMARY TABLE

Examination	Portion	# of Items	Time Allowed
Salesperson	General	80 (80 points)	120 Minutes
	State	30 (30 points)	90 Minutes
	Combo (both portions)	110 (110 points)	210 Minutes
Broker	General	75 (80 points)	120 Minutes
	State	40 (40 points)	90 Minutes
	Combo (both portions)	115 (120 points)	210 Minutes
Property Manager	General	40 (40 points)	90 Minutes
	State	40 (40 points)	90 Minutes
	Combo (both portions)	80 (80 points)	180 Minutes

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

## NON-SCORED QUESTIONS

In addition to the number of examination items specified in the "Examination Content Outlines", a small number (up to 10) of "non-scored" items may be administered to candidates during the examinations. The use of such questions is an essential step in developing accurate future examinations. These questions will NOT be scored and time to answer them has been added to the time allowed.

## CONTENT OUTLINES

Use the outline as a guide for pre-examination review course material. The outlines list the topics that are on the examination and the number of questions for each topic. Do not schedule your examination until you are familiar with the topics in the outline.

### GENERAL PORTION CONTENT OUTLINE FOR SALESPERSONS AND BROKERS

#### 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
5. Owner financing (for example, installment or land contract/contract for deed)
6. Reverse-mortgage loans
7. Home equity loans and lines of credit
8. Construction loans
9. Rehab loans
10. 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**

## STATE PORTION CONTENT OUTLINE FOR SALESPERSONS AND BROKERS

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
- I. DUTIES AND POWERS OF THE REAL ESTATE COMMISSION (Salesperson 20% (6 items); Broker 12.5% (5 items))**
- A. General powers
  - B. Investigations, hearings, and appeals
  - C. Disciplinary Actions
    1. Sanctions
    2. Suspension and revocation
    3. Fines
  - D. Guaranty and Education Fund administration
- II. LICENSING REQUIREMENTS (Salesperson 13% (4 items); Broker 15% (6 items))**
- A. Activities requiring a license
  - B. Eligibility for licensing (Broker only)
  - C. Types of licenses (Broker only)
  - D. License maintenance
    1. Continuing education
    2. Reinstatement and renewal
    3. Change in license
- III. STATUTORY REQUIREMENTS GOVERNING THE ACTIVITIES OF LICENSEES (Salesperson 67% (20 items); Broker 60% (24 items))**
- A. Advertising/Technology
  - B. Broker/salesperson relationship
  - C. Commissions
  - D. Disclosure/conflict of interest
  - E. Handling of documents
  - F. Handling of monies
  - G. Fair housing/ADA
  - H. Tenant's right to purchase
  - I. Agency
    1. Disclosure of relationships
    2. Fiduciary duties
  - J. Property disclosures
    1. General
    2. Historic preservation
    3. Common-interest communities
  - K. Environmental issues
    1. Sustainable energy
    2. District of Columbia regulations
- IV. RESPONSIBILITIES SPECIFIC TO BROKERAGE PRACTICE (Broker 12.5% (5 items))**
- A. Corporations
  - B. Place of business
  - C. Supervision of licensees

## GENERAL PORTION CONTENT OUTLINE FOR PROPERTY MANAGER

The General Portion of the Property Manager examination consists of a 40-item section on general Property Management knowledge including content areas I through III.

- I. MANAGEMENT PLAN, GENERALLY ACCEPTED PRACTICE (12 ITEMS)**
  - A. Market analysis
  - B. Analysis of alternate programs (Highest and Best Use)
  - C. Property analysis
  - D. Responsibilities and limitations per contract
  - E. Implementation
  - F. Owner's objectives
  - G. Analysis of competitive properties
  
- II. ACCOUNTING SYSTEM (16 ITEMS)**
  - A. Budgeting process
    - 1. Analysis of income and expense
    - 2. Cash flow and projections
    - 3. Capital expenditures
  - B. Reports and records
  - C. Lease administration
    - 1. Pass-through
    - 2. Escalator clauses
  - D. Fiscal responsibility
  - E. Asset management
  
- III. FACILITIES MANAGEMENT (12 ITEMS)**
  - A. Physical inspections
  - B. Service contract negotiations
  - C. Sustainability/Utility management
    - 1. Water consumption
    - 2. Electric/Natural gas
    - 3. Energy efficiency
  - D. Preventive maintenance
  - E. Risk management/Insurance
  - F. Capital repairs
  - G. Marketing

## STATE PORTION CONTENT OUTLINE FOR PROPERTY MANAGER

The State Portion of the Property Manager examination consists of a 40-item section on District laws and rules covering District-specific Property Management laws and regulations.

- I. DISTRICT OF COLUMBIA LAWS, RULES AND REGULATIONS REGARDING PROPERTY MANAGEMENT (40 ITEMS)**
  - A. Rent control
  - B. Occupancy, housing and building codes
  - C. Leases and security deposits
  - D. Agency/contract law
  - E. Zoning
  - F. Sale and conversion
    - 1. Transfer of ownership
    - 2. District Opportunity to Purchase Act (DOPA)
    - 3. Tenant Opportunity to Purchase Act (TOPA)
  - G. Fair Housing/Human Rights Act 1977
  - H. Employment
  - I. Landlord-tenant relationship
  - J. Police and fire codes
  - K. Record keeping/Escrow/Handling of Documents
  - L. Tenant's rights under foreclosures
  - M. Evictions

