PSI Services LLC
Phone: (855) 340-3893
E-mail: examschedule@psionline.com
https://test-takers.psiexams.com/ilrep

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF REAL ESTATE CANDIDATE INFORMATION BOOKLET

 6/24/2026

EXAMINATIONS BY PSI SERVICES LLC

This Candidate Information Booklet provides you with information about the examination and application process for obtaining a real estate license in the State of Illinois. For specific information about licensing procedures, contact the Illinois Department of Financial and Professional Regulation.

Illinois state laws stipulate that a person may not act as a real estate broker or managing broker without first obtaining a license issued by the Department of Financial and Professional Regulation. To be licensed, you must pass an examination to confirm that you have attained at least a minimum level of knowledge regarding the principles, practices, statutes, and regulations relating to real estate.

The Department of Financial and Professional Regulation has contracted with PSI Services LLC (PSI) to conduct the examination testing. PSI works closely with the State to be certain that examinations meet local as well as national requirements in basic principles and examination development standards.

ILLINOIS LICENSE REQUIREMENTS AND QUALIFICATIONS

Broker

To be eligible for the Illinois Real Estate Broker Examination, candidates must meet all of the requirements in one of the following categories.

<u>Category A – 75-Class-Hour Qualification</u>

To qualify for an Illinois Real Estate Broker's license under Category A, applicants must:

1. Be at least 18 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree (GED); and
3. Have successfully completed the required curriculum of 75 class hours of Real Estate courses at a real estate school approved by the Department of Financial and Professional Regulation in the following manner:
    - Broker Pre-License Topics (60 hours)
    - Broker Pre-License Applied Real Estate Principles-Interactive (15 hours)

THE PRE-LICENSE EDUCATION REFERENCED ABOVE IS VALID FOR TWO YEARS AFTER THE DATE OF SATISFACTORY COMPLETION OF THE EDUCATION REQUIREMENTS.

<u>Endorsement Qualification (Broker)</u>

To qualify for an Illinois Real Estate Managing Broker license by Endorsement, applicants must:

1. Be at least 18 years old
2. Have graduated from high school or obtained the equivalent of a high school degree (GED);
3. Be licensed as a broker or its equivalent in another state or jurisdiction.
4. Have an Active license in good standing.
5. Have completed a 30-hour Broker Pre-License Endorsement Course through an IDFPR-approved real estate education provider.

THE PRE-LICENSE EDUCATION REFERENCED ABOVE IS VALID FOR TWO YEARS AFTER THE DATE OF SATISFACTORY COMPLETION OF THE EDUCATION REQUIREMENTS.

Documentation Required: A Uniform Real Estate Transcript(s), from an approved real estate education provider, documenting completion of a 30-hour Broker Pre-License Endorsement Course.

Please Note: Candidates for licensure by endorsement must, at the time of application for licensure, be prepared to provide proof of licensure in good standing from every state or jurisdiction in which equivalent licensure is held.

<u>Category C – Attorney Qualification</u>

To qualify for an Illinois Real Estate Broker's license under Category C, applicants must:

1. Be at least 18 years old; and
2. Be admitted to practice law by the Illinois Supreme Court.

Attorney candidates do not need to upload documents prior to scheduling. Attorney candidates can go online to pay and schedule for their examination. No prior eligibility is required.

Managing Broker

To be eligible for the Illinois Real Estate Managing Broker Examination, candidates must meet all of the requirements in one of the following categories:

Category A-2 – Active Broker license and 45-Class-Hour Qualification

To qualify for an Illinois Real Estate Managing Broker's license under Category A-2, applicants must:

1. Be at least 20 years old;
2. Hold an active valid Illinois real estate broker license;
3. Have had an active real estate license for 2 of the past 3 years; and
4. Have completed the required curriculum of 45 class hours of managing broker courses at a real estate school approved by the Department of Financial and Professional Regulation in the following manner:
    - Managing Broker Pre-License Topics (30 hours)
    - Managing Broker Pre-License Applied Management and Supervision-Interactive (15 hours)

THE PRE-LICENSE EDUCATION REFERENCED ABOVE IS VALID FOR TWO YEARS AFTER THE DATE OF SATISFACTORY COMPLETION OF THE EDUCATION REQUIREMENTS.

Documentation Required: An original or copy of Uniform Real Estate Transcript, from an approved Illinois provider, bearing an embossed seal documenting 45 course hours.

Category A-1 – 165-Class-Hour Qualification

To qualify for an Illinois Real Estate Managing Broker's license under Category A-1, applicants must:

1. Be at least 20 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree (GED);
3. Have had an active real estate license for 2 of the past 3 years; and
4. Have successfully completed the required curriculum of 165 class hours of Real Estate courses at a real estate school approved by the Department of Financial and Professional Regulation in the following manner:
    - Broker Pre-License Topics (60 hours)
    - Broker Pre-License Applied Real Estate Principles-Interactive (15 hours)
    - Broker Post License Transactional Issues (15 hours)
    - Broker Post License Risk Management/Discipline (15 hours)
    - Broker Post License Applied Broker Principles (15 hours)
    - Managing Broker Pre-License Topics (30 hours)
    - Managing Broker Pre-License Applied Management and Supervision-Interactive (15 hours)

Note: An applicant for a managing broker license who is currently licensed as an Illinois real estate broker is presumed to have completed the 120 broker class hours of Real Estate courses.

THE PRE-LICENSE EDUCATION REFERENCED ABOVE IS VALID FOR TWO YEARS AFTER THE DATE OF SATISFACTORY COMPLETION OF THE EDUCATION REQUIREMENTS.

Documentation Required: An original or copy of Uniform Real Estate Transcript(s), from an approved Illinois provider.

Endorsement Qualification (Managing Broker)

1. To qualify for an Illinois Real Estate Managing Broker license by Endorsement, applicants must:
2. Be at least 20 years old;
3. Have graduated from high school or obtained the equivalent of a high school degree (GED);
4. Be licensed as a managing broker or its equivalent in another state or jurisdiction.
5. Have an Active license in good standing and have been actively practicing as a managing broker or its equivalent during the immediately preceding two years.
6. Have completed a 30-hour Managing Broker Pre-License Endorsement Course through an IDFPR-approved real estate education provider.

THE PRE-LICENSE EDUCATION REFERENCED ABOVE IS VALID FOR TWO YEARS AFTER THE DATE OF SATISFACTORY COMPLETION OF THE EDUCATION REQUIREMENTS.

Documentation Required: A Uniform Real Estate Transcript(s), from an approved real estate education provider, documenting completion of a 30-hour Managing Broker Pre-License Endorsement Course.

Please Note: Candidates for licensure by endorsement must, at the time of application for licensure, be prepared to provide proof of licensure in good standing from every state or jurisdiction in which equivalent licensure is held.

Category C – Attorney Qualification

To qualify for an Illinois Real Estate Managing Broker's license under Category C, applicants must:

1. Be at least 20 years old;
2. Have held an active real estate broker license for 2 of past 3 years; and
3. Be admitted to practice law by the Illinois Supreme Court.

Attorney candidates do not need to upload documents prior to scheduling. Attorney candidates can go online to pay and schedule for their examination. No prior eligibility is required.

Residential Leasing Agent

To be eligible for the Illinois Real Estate Residential Leasing Agent Examination, candidates must meet all of the following requirements.

1. Be at least 18 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree;
3. Have successfully completed the 15-class-hour Residential Leasing Agent course at a real estate school approved by the Department of Financial and Professional Regulation.

THE PRE-LICENSE EDUCATION REFERENCED ABOVE IS VALID FOR TWO YEARS AFTER THE DATE OF SATISFACTORY COMPLETION OF THE EDUCATION REQUIREMENTS.

Pre-license Instructor

Applicants for a Pre-License Instructor License shall meet the following requirements:

1. Pass an examination provided and approved by the DRE and administered by PSI with a minimum score of 75%.
2. Demonstrate expertise by:
   - a. Holding an active broker or managing broker license for the immediately preceding 2 years; or
   - b. Being admitted to the practice of law by the Supreme Court of Illinois; or
   - c. Prior teaching experience for a minimum period of 2 years; or
   - d. Professional background and experience
3. Complete a 12-hour instructor development course administered over 2 or more days, approved by the DRE, and comprised of: i) 6 hours devoted to instructor training and development; and ii) 6 hours devoted to teaching the content of pre-license courses.
   - a. Please see the following link for a list of DRE-approved pre-license instructor development workshops: https://idfpr.illinois.gov/dre/education/resch512.html
   - b. Note: International Distance Education Certification Center ("IDECC") or Illinois Real Estate Educational Foundation ("IREEF") certification does not meet this requirement.

An individual possessing a Real Estate Pre-License Instructor License may teach any Pre-License, Post-License, and Continuing Education ("CE") Course licensed by the Division of Real Estate ("DRE"), unless restricted by the DRE to specific courses or topic areas. The license is portable, and the licensee may teach with any Education Provider licensed by the DRE. "

EXAMINATION SCHEDULING PROCEDURES

FEES

Broker Examination	$58
Managing Broker Examination	$58
Residential Leasing Agent	$37

NOTE: EXAMINATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. Your examination fee will be forfeited if you do not test within 1 year of the date your examination fee is received by PSI.

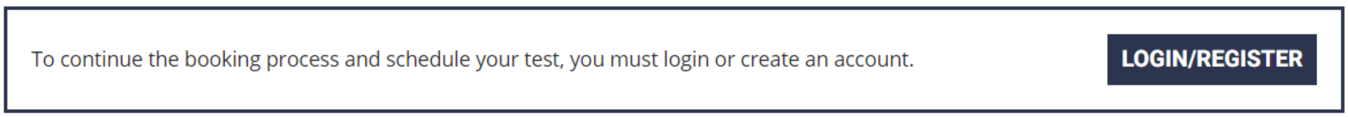
To become eligible to test go to https://test-takers.psiexams.com/ilrep. Select Sign In/Create Account and select CREATE ACCOUNT. You will be required to upload the course certificate. PSI will approve and send an email confirmation.

Broker: Candidates are allowed up to four attempts to pass the examination during their 2-year eligibility period.
Broker Endorsement: Candidates may test unlimited during their 2-year eligibility period.
Managing Broker: Candidates are allowed up to four attempts to pass the examination during their 2-year eligibility period.
Managing Broker Endorsement: Candidates may test unlimited during their 2-year eligibility period.
Residential Leasing Agent: Candidates are allowed up to four attempts to pass the examination during their 2-year eligibility period.
Pre-license Instructor: Candidates may test unlimited and the eligibility doesn't expire.

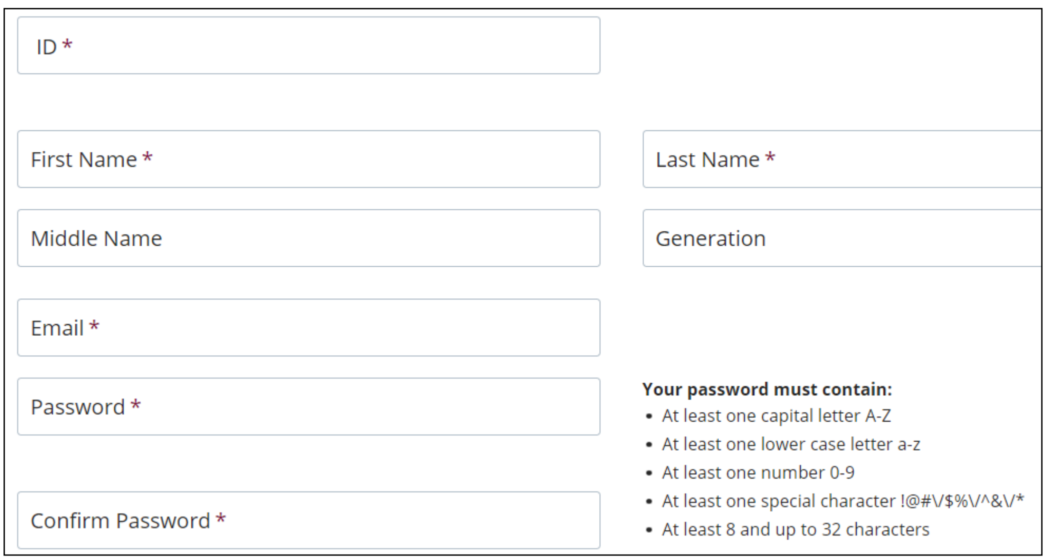
INTERNET SCHEDULING

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

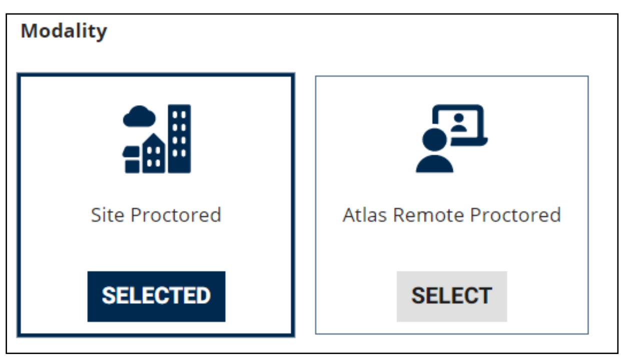
3. Select the examination and you are ready to create an account. Select **LOGIN/REGISTER**.



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.

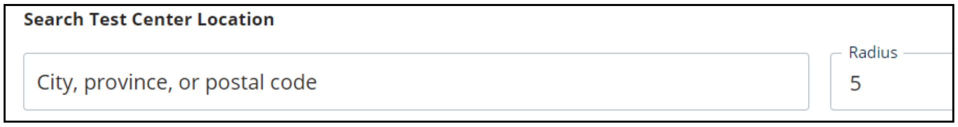


5. Select your test format: (Test Center) or (Remote Proctored).

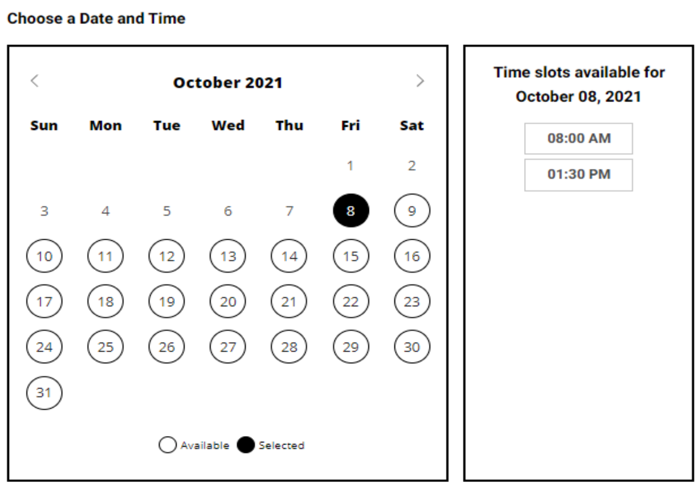


Scheduling at a Test Center

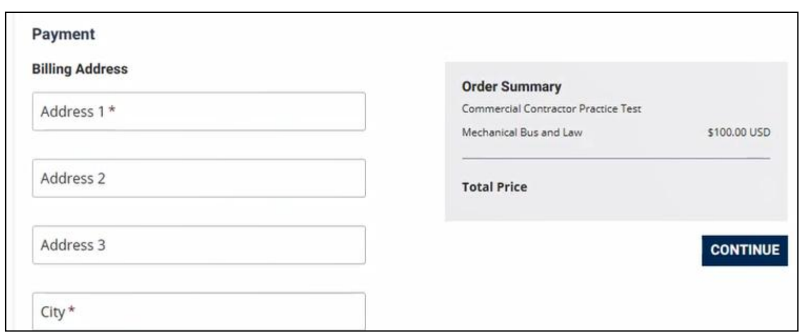
1. Enter the “City or Postal Code” and select **FIND**.



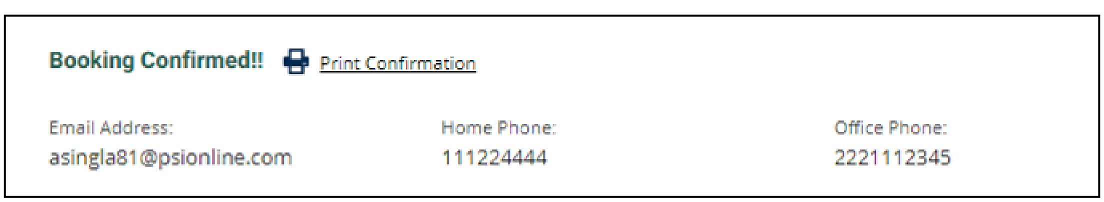
2. Select a date and time to book an appointment.



3. You are now ready to pay.

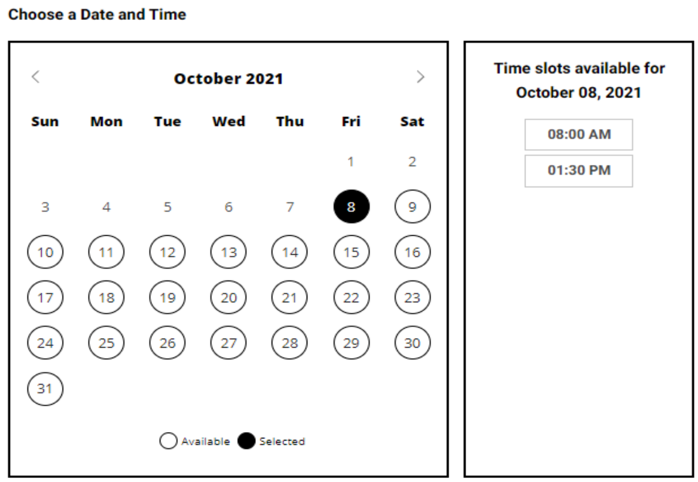


4. Once payment has been made you will receive a message confirming the test center, booked date, and booked time.

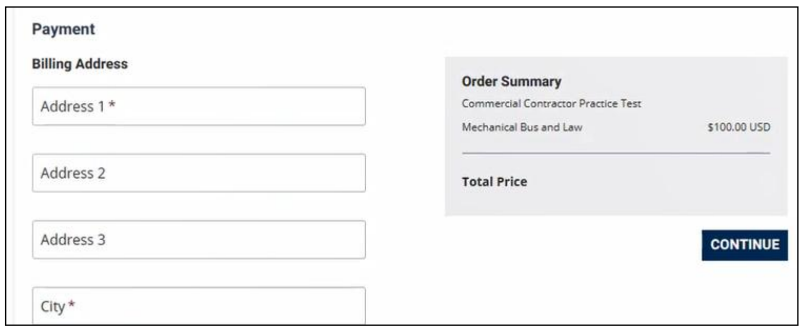


Scheduling via Remote Proctor

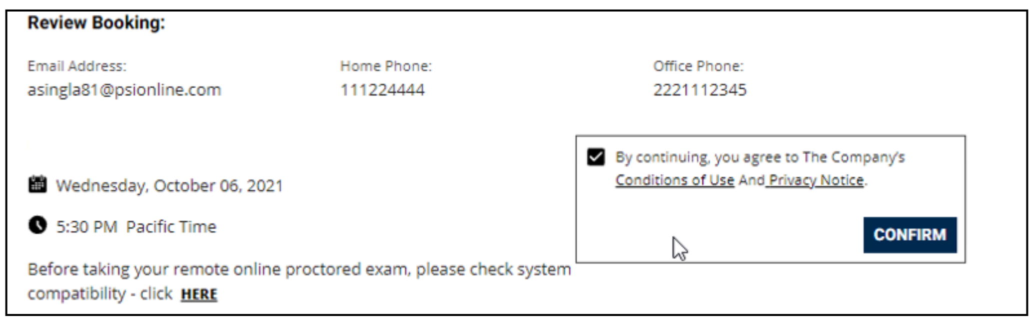
1. Select a date and time to book an appointment.



2. You are now ready to pay.

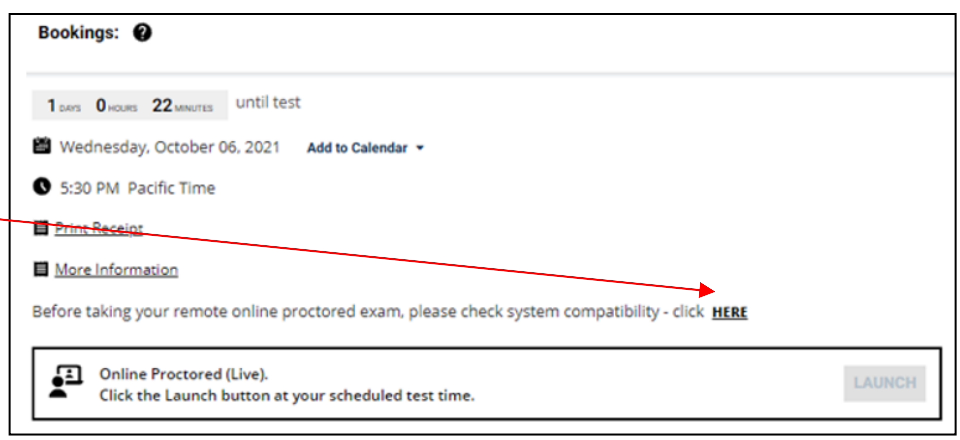


3. Once payment has been made you will receive a message confirming the booked date and booked time. Please review the booking before selecting **CONFIRM.**



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.

[Click here for a video of the Test Center Experience]

[Click here for a video of the Remote Testing Experience]

TELEPHONE

For telephone scheduling you will need a valid credit card (VISA, MasterCard, American Express or Discover). Call (855) 340-3893 and speak to a PSI registrar Monday through Friday between 6:30 am and 9:00 pm, and Saturday-Sunday between 8:00 am and 4:30 pm, Central Time.

CANCELING AN EXAMINATION APPOINTMENT

You may cancel and reschedule an examination appointment without forfeiting your fee if your *cancellation notice is received 2 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 can reschedule at https://test-takers.psiexams.com/ilrep or call PSI at (855) 340-3893.

Note: A voice mail message is not an acceptable form of cancellation. Please use the PSI Website or call PSI and speak 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 days before the schedule 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.

RE-TAKING A FAILED PORTION

If you fail any portion of the broker or managing broker examination, your score report will include diagnostic scoring information and reapplication instructions. You will only be required to repeat the portion(s) that you failed.

Candidates are allowed up to four attempts to pass the examination. After failing the fourth attempt, you are required to retake the following education and the entire examination:

- Residential Leasing Agent – retake the 15-hour pre-license education; or
- Broker – retake the 75-hour broker pre-license education; or
- Managing broker with an active Illinois broker license – retake the 45-hour managing broker pre-license education; or
- Managing broker without an active Illinois broker license – retake the 165-hour managing broker pre-license education.

Education exempt candidates do not have to complete the requirements listed above.

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 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 calling (855) 340-3893. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You may also check our website at https://test-takers.psiexams.com/ilrep.

IF YOU PASS THE EXAMINATION

If you pass the appropriate examination(s), you will receive a score report with instructions for applying for a license at the IDFPR Online Services Portal at https://online-dfpr.micropact.com. You must follow the license instructions and provide any required documentation when you submit your application for licensure.

Note: you must apply for licensure to IDFPR within one year of passing the appropriate examination(s). Any candidate who fails to submit an application and meet all requirements for licensure within one year after receiving a passing exam score will lose examination accreditation and must retake the appropriate examination(s).

EXAMINATION SITE LOCATIONS

The Real Estate Licensing examinations are administered at the examination centers listed below:

BLOOMINGTON Sales Consultants of Bloomington, Inc 513 E. Locust St Bloomington, IL 61701 US	**ELGIN** Training Institute of Elgin 620 Wing Street, Suite 9 Elgin, IL 60123 US	**MIDLOTHIAN** Royal Testing Center 4645 W 147th St. Midlothian, IL 60445 US
CARBONDALE Southern Illinois University 605 Agriculture Drive MC 4722 Room 781, 7th Floor Carbondale, IL 62901 US	**GALESBURG** Carl Sandburg College 2400 Tom L Wilson Blvd Galesburg, IL 61401 US	**PARK RIDGE** Royal Testing Center 1550 N. Northwest Highway, 1st Fl., Ste 106 Park Ridge, IL 60068 US
CHAMPAIGN Parkland College 2400 W Bradley Ave, U203 Champaign, IL 61821 US	**JOLIET** TRMA Safety Center 1615 W. Jefferson Street Joliet, IL 60435	**SCHAUMBURG** IT Expert System 951 N Plum Grove Rd , Suite A Schaumburg, IL 60173 US
CHICAGO PSI Chicago 332 S. Michigan Avenue Chicago, IL 60604 US	**LAKE-IN-THE-HILLS** Blue Skies Pilot Shop 8411 Pyott Road, Suite 106 Lake-In-The-Hills Airport Lake-In-The-Hills, IL 60156 US	**SPRINGFIELD** 2050 W. Iles Ave, Suite D Springfield, IL 62704
COLLINSVILLE TEKSOLV 100 Lanter Ct Collinsville, IL 62234 US	**DIXON** Sauk Valley Community College 173, IL Rte 2 Dixon, IL 61021	**WEST CHICAGO** Illinois Aviation Academy 32 W 751 Tower Rd West Chicago, IL 60185 US

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

REQUIRED IDENTIFICATION AT EXAMINATION SITE

You must provide 1 form of identification. The identification must match the name you scheduled with.

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

- State issued driver's license
- State issued identification card
- Temporary State issued driver's license or identification card
- US Government Issued Passport
- US Government Issued Military Identification Card (not allowed for remote testing)
- US Government Issued Alien Registration Card
- Foreign Government Issued Passport
- Foreign Government Issued ID

Failure to bring the proper documentation invalidates your registration. You will not be able to take the examination as scheduled, and you will forfeit your examination fee.

SECURITY PROCEDURES

The following examination protocols apply during any examination. PSI may pause or terminate an examination at any time. Failure to follow the examination protocol, may result in the disqualification of examination results, prohibition from taking future examinations, and may lead to legal action.

You will be given a piece of scratch paper and a pencil. You will return the scratch paper and pencil during check-out.

Prohibited Items:

- Reference materials of any kind.
- Electronic devices of any type, including but not limited to; cellular phones, cameras, computers of any type (e.g., laptops, tablets, iPads), earbuds, electronic games, electronic watches, headsets, mobile devices, music players (e.g., iPods), pagers, radios, recording devices (audio or video), smart watches, televisions, etc.). Physical calculators are allowed for Test Centers but not for Remote Proctored exams.
- Hats or headgear not worn for religious reasons or as religious apparel, including hats, baseball caps, or visors.
- Bulky or loose clothing or coats including but not limited to; open sweaters, cardigans, shawls, scarves, vests, jackets and coats.
    - In the event you are asked to remove bulky or loose outerwear, appropriate attire, such as a shirt or blouse should be worn underneath.
- Other personal items, including but not limited to; backpacks, briefcases, chewing gum, drinks, food, good luck items, notebooks, paper or other materials on which to write, pens, pencils or other writing devices, purses, reading material, smoking or chewing products, wallets, etc.

Prohibited Behavior:

- Giving or receiving assistance on an examination.
- Copying or communicating examination content.
- Using outside references or resources during an exam, examples:
    - Browsing other local resources.
    - Browsing the internet.
    - Attempting to use a computer or computer program not provided or approved by PSI.
    - Attempting to use a telephone or mobile device.
    - Using notepad on the computer.
    - Using an application on the computer not provided by PSI.
- Engaging in disruptive behavior during check-in or during an exam, examples:
    - Acting in an inappropriate manner.
    - Using abusive language.
    - Speaking aloud.
    - Causing noise unrelated to keyboard typing.
- Engaging in prohibited behavior during check-in or during an exam, examples:
    - Reading questions out loud.
    - Leaving the room without proctor approval.
    - Using instant messaging, or other electronic communication.
    - Capturing a picture or video of exam items.
    - Attempting to use telephone or mobile device.
    - Obstructing the proctor's view (camera or in person).
    - Having inappropriate materials on desktop (explicit).
    - Changing spaces during the exam without proctor approval.
    - Not focusing eyes on the screen.

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.

No prohibited items are allowed within the candidate's reach or line of sight. If prohibited items are found during check-in, candidates shall put them in the provided secure storage or return these items to their vehicle for test center exams. PSI will not be responsible for the security of any personal belongings or prohibited items.

♣ Any candidate seen giving or receiving assistance on an examination, found with prohibited items, or displaying prohibited behavior or violating any security regulations will have his or her examination terminated, and be asked to surrender all examination materials. All such instances will be reported to the examination sponsor.

Additional protocols for testing at a testing center, include but not limited to:

♣ 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.

- ♣ 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. Candidates will not receive extra time to complete the examination.

Additional protocols for remote online proctored exams, include but not limited to:

- Temporarily moving out of the camera's line of sight.
- Candidates are not allowed to have scratch paper.
- Adequate lighting for the proctor to see candidate's activity.
- Internet service must be sufficient to administer the exam.
- Web camera must be placed for ideal viewing by the proctor.
- Candidate may not change computers during the exam.
- Candidate may not change spaces during the exam.
- Candidate must follow proctor instructions, which may include, but are not limited to:
    - Keeping hands on the desktop.
    - Keeping eyes on the computer screen.
    - Not fidgeting during the exam.
    - Keeping hands away from face.
- Please do your best to avoid covering your mouth for the whole duration of exam. Be aware that talking/whispering/mouthing is not allowed during exam.
- Breaks are NOT allowed during remote online proctored examinations. If you believe you cannot complete your examination without a break, please do not register for remote online proctored examinations.

TAKING THE EXAMINATION BY COMPUTER

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

Click here for the Tutorial

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.

EXAMINATION REVIEW

PSI, in cooperation with the Department of Financial and Professional Regulation, will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. While taking the examination, examinees will have the opportunity to provide comments on any questions. Comments may be entered by clicking the Comments link on the function bar of the test question screen.

These comments will be analyzed by PSI examination development staff. PSI does not respond to individuals regarding these comments, all substantive comments are reviewed. **This is the only review of examination materials available to candidates.**

CORE REPORTING

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 the score report(s) from your online account under the Manage tab.

EXAMINATION STUDY MATERIALS

The following is a list of possible study materials for the real estate examinations. The list is given to identify resources and does not constitute an endorsement by PSI or by the Department of Financial and Professional Regulation. Use the latest edition available.

NATIONAL PORTION FOR BROKER

- Modern Real Estate Practice, 21st Edition, Galaty, Allaway, Kyle, and Williams, Dearborn Real Estate Education, www.dearborn.com, ISBN: 978-1-0788-1887-2
- Mastering Real Estate Math, 9th Edition, 2022, Denise Evans www.dearborn.com ISBN: 9781078819008
- The Language of Real Estate, 8th Edition, 2019, Reilly and Spodek, Dearborn Real Estate Education, www.dearborn.com
- Property Management, 11th edition, 2016, Kyle, Robert C., Baird, Floyd M. and Kyle, C. Donald, Chicago: Dearborn Real Estate Education www.dearborn.com

- Real Estate Law, 11th Edition, 2022, Elliot Klayman, Dearborn Real Estate Education www.dearborn.com
- Real Estate Fundamentals, 10th Edition, 2019, Gaddy, Hart, Spodek, Dearborn Real Estate Education, www.dearborn.com
- Real Estate Principles, 12th Edition, Charles Jacobus, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855-733-7239, www.oncoursepublishing.com ISBN 1285420985
- Real Estate Principles, 12th Edition, 2021, Floyd and Allen, Dearborn Real Estate Education, www.dearborn.com
- Mastering Real Estate Principles, 8th Edition, 2022, Gerald Cortesi
- Real Estate Principles & Practices, 9th Edition, 2014, Arlyne Geschwender, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855- 733-7239, www.oncoursepublishing.com ISBN 0324784554
- Principles of Real Estate Practice, 6th edition, 2019, Mettling, Stephen and Cusic, David, Performance Programs Company, www.performanceprogramscompnay.com

Now you can take the practice exam online at https://test-takers.psiexams.com/ilrep to prepare for your Illinois 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.

DESCRIPTION OF EXAMINATIONS

EXPERIMENTAL QUESTIONS

In addition to the number of examination items specified in the "Examination Content Outlines", a small number (5 to 10) of "experimental" questions may be administered to candidates during the examinations. 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.

For the Instructor and Manager Broker National portion, scenario-based test questions are included to contain more than four 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. These items are associated with scenarios presented in the form of text, graphs, or tables representing a situation in which candidates must identify the best course of action by selecting only one option. Each option is weighted as zero-point, one-point, or two-points based on the completeness and accuracy of the solution. Sample questions are provided.

EXAMINATION SUMMARY TABLE

Examination	Portion	# of Items	Passing Score	Time Allowed
Broker*	National	100 (100 points)	70%	150 minutes
	State	40 (40 points)	75%	90 minutes
Residential Leasing Agent		50 (50 points)	74%	120 minutes
Managing Broker	State	50 (50 points)	75%	90 minutes
Instructor**	National	90 (100 points)	75%	150 minutes
	State	40 (40 points)	75%	90 minutes

*The passing score of 70% for National Broker Exam is equivalent to a scaled score of 75 as previously reported and required to pass. The passing standard has remained identical when the reported scores change from previous scaled scores to raw scores.

CONTENT OUTLINES

The examination content outlines have been prepared and are periodically updated by committees of professionals who are subject matter experts in real estate practice, real estate instruction, and regulatory issues. The examination content outlines these professionals have prepared identify areas of importance to licensees in order for them to perform their duties to the public in a competent and legally responsible manner.

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.

NATIONAL PORTION CONTENT OUTLINE

(REAL ESTATE PRINCIPLES AND PRACTICES)

I. Property Ownership *(Broker 10%/Instructor 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 *(Broker 5%/Instructor 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 *(Broker 8%/Instructor 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 *(Broker 10%/Instructor 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 *(Broker 19%/Instructor 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 *(Broker 13%/Instructor 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 *(Broker 7%/Instructor 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 *(Broker 3%/Instructor 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 *(INSTRUCTOR ONLY)*
5. Handling landlord and tenant funds; trust accounts, reports and disbursements *(INSTRUCTOR ONLY)*
6. Provisions of property management contracts *(INSTRUCTOR ONLY)*

B. Landlord and tenant rights and obligations

IX. Transfer of Title *(Broker 6%/Instructor 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 *(Broker 12%/Instructor 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 *INSTRUCTOR ONLY)*

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

XI. Real Estate Calculations *(Broker 7%/Instructor 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-SPECIFIC PORTION CONTENT OUTLINE

Topic	Managing Broker	Broker
I. Licensing Requirements (Broker 10%; Managing Broker/Instructor 5%)	**3**	**4**
A. Activities requiring a license		
B. License exemptions		
C. Types of licenses		
1. Broker		
2. Managing Broker		
3. Residential Leasing Agent		
4. Instructor (pre-license and continuing education)		
D. Eligibility for licensing, including sponsorship		
E. Examination		
F. License renewal		
G. Post-licensing and continuing education		
H. Change in address, name, or business information for a licensee		
II. Illinois Real Estate License Act (Broker 40%; Managing Broker/Instructor 30%)	**15**	**16**
A. Agency relationships		
1. Stigmatized property issues		
2. Material facts		
B. Advertising		
C. Sponsored licensee/sponsoring broker relationship		
D. Brokerage agreements		
1. Non-exclusive		
2. Exclusive		
a. Minimum services		
E. Compensation requirements		
1. Contractual obligation		
F. Interference with contracts or agreements		
G. Licensed/Unlicensed assistants		
H. Teams		
1. Team names		
2. Supervision		
I. Handling of monies		
1. Special accounts		
2. Security deposits		
J. Handling of documents		
K. Disciplinary provisions		
1. Unprofessional conduct		
L. Comparative market analysis (CMA)/Broker price opinion (BPO) requirements		
M. Purchase contracts and lease agreements		
1. Chicago Bar Association et al vs Quinlan and Tyson inc.		
N. Purpose of License Law		

III. Additional Illinois Laws and Regulations Affecting Real Estate Practice (Broker 25%; Managing Broker/Instructor 15%)	**7**	**10**
A. Ownership interests		
1. Trusts		
2. Homestead		
3. Government powers		
4. Co-ownership		
5. Condominiums		
6. Cooperatives		
7. Ownership by business entities (managing broker only)		
8. Deed restrictions and subdivision covenants, conditions and restrictions (CC&Rs) (managing broker only)		
B. Performing activities exceeding the scope of real estate licensing		
1. Law		
2. Securities		
3. Illinois Business Broker Act		
4. Situations which require appraisal by a licensed or certified appraiser and brokerage-related actions that constitute unauthorized appraisal practice (managing broker only)		
C. Transfer taxes		
D. Transfer of title		
1. Involuntary vs voluntary transfer		
2. Title insurance policies and title searches (Managing Broker only)		
a. Owner policy and lender policy (Managing Broker only)		
3. Marketable and insurable title (Managing Broker only)		
4. Settlement procedures (closing) and parties involved (Managing Broker only)		
5. Special issues in transferring foreclosed properties (Managing Broker only)		
6. Special issues in short sale transactions (Managing Broker only)		
7. Special issues in probate transactions (Managing Broker only)		
E. Legal description/Plat Act		
F. Real estate taxes and exemptions		
G. Illinois Human Rights Act		
1. Fair Housing advertising rules		
H. Illinois Assistance Animal Integrity Act		
I. Illinois Landlord Tenant Act		
J. Commercial Broker Lien Act		
K. Radon Resistant Construction Act		
L. Effect of the Statute of Frauds (managing broker only)		
IV. Disclosures (Broker 25%; Managing Broker/Instructor 10%)	**5**	**10**
A. Agency		
1. Designated agencies		
a. Seller/landlord		
b. Buyer/tenant		
c. Dual		
2. Notice of no agency relationship		
3. Prohibition against transactional broker and facilitator		
4. Contemporaneous offers		
B. Licensee status direct/indirect interest		

C. Compensation sources		
D. Property disclosure		
1. Residential Real Property Disclosure Act		
2. Material defects		
E. Environmental and other disclosures		
1. Radon		
2. Lead based paint		
3. Mine subsidence		
4. Underground storage tanks		
5. Flooding (landlords)		
V. Managing Broker/Instructor (ONLY) Topics (40%)	**20**	**N/A**
A. Sponsoring broker/designated managing Broker responsibilities		
1. Training		
2. Supervision		
a. Specific duties related to newly licensed brokers		
b. Renewal of sponsored licensees		
B. Special accounts		
1. Accounting requirements		
a. Timely deposits and disbursements		
b. Required documentation		
2. Prohibited acts		
3. Escrow disbursement		
4. Escrow disputes		
C. Examination of records		
1. Record retention		
2. Compliance examination		
D. Corporation/partnership/limited liability company licensure and renewal		
E. Licensure by endorsement		
F. Real Estate Recovery Fund		
G. Rental finding services		
H. Rental property management		
I. Virtual and Branch offices		
J. Real estate calculations		
1. Income analysis approach to property valuation and appropriate uses		
2. Seller's net proceeds		
3. Buyer funds needed at closing		
4. Real property tax and other prorations		
5. Real property transfer fees		
6. PITI (Principal, Interest, Taxes and Insurance) payments estimate given loan rate and term		
7. Equity		
8. Loan-to-Value ratio		
9. Discount points and loan origination fees		
K. Financing and lending		
1. Owner financing (for example, installment or land contract/contract for deed)		
2. Real Estate Settlement Procedures Act (RESPA), including kickbacks		

3. Truth-in-Lending Act (Regulation Z), including advertising		
4. Requirements and time frames of TRID (TILA-RESPA Integrated Disclosures)		
5. Government loans (e.g., FHA, VA, USDA)		
6. Loan features, such as prepayment penalties and balloon payments		
L. Contract issues		
1. Void, voidable and unenforceable contracts		
2. Termination, rescission, breach, and cancellation of contracts		
3. Nature and use of option agreements		
4. Notice, delivery, acceptance and execution of contracts		
5. Proper handling of multiple offers and counteroffers		
a. Escalation clauses		
b. Disclosure and confidentiality		
6. Addenda and amendments to contracts		
7. Lease-purchase agreements		
8. Seller concessions		
a. Compensation and brokerage fees		
b. Financing/Closing costs		
c. Repairs and other concessions		
9. Real estate tax proration issues		
10. Letters of intent		
11. Types of leases		
M. Property management issues		
1. Fair Credit Reporting Act		
2. Procurement and qualification of prospective tenants		
3. Property manager responsibility for maintenance, improvements, reporting and risk management		
4. Handling landlord and tenant funds; trust accounts, reports and disbursements		
5. Provisions of property management contracts		
N. Antitrust laws and types of violations		
O. Employment law		
1. Employees or independent contractors and governing rules		

RESIDENTIAL LEASING AGENT CONTENT OUTLINE

I. Definitions and Laws Governing Contracts and Leases
- A. General Definitions
  1. Real vs. Personal Property
  2. Leases and Rental Agreements
  3. Terms Related to Leasing and Contracts
- B. Contract Law
- C. Lease Agreements
  1. Essential Elements
  2. Statute of Frauds
  3. Common Provisions
  4. Applications, Credit Reports, and Background Checks
- D. Handling of Monies and Documents
  1. Fiduciary Obligations
  2. Deposits and Accounts
  3. Recordkeeping Requirements

II. Laws Governing Fair Housing, Leasing, and Owner/Tenant Relationships
- A. Civil Right Acts
- B. Federal, State, and Local Fair Housing Acts
- C. Discrimination Laws
- D. Anti-Drug Laws
- E. Government Assisted Housing Programs
- F. Americans with Disabilities Act (ADA)
- G. Owner/Tenant Relationships
  1. Occupancy Standards and Regulations
  2. Risk Management: Liabilities and Insurance
  3. Owner's Obligations and Remedies
  4. Tenant's Obligations and Remedies
  5. Renewals and Terminations

III. Real Estate License Act of 2000
- A. Purpose, Authority, and Administration of the Act
- B. Leasing Activities
- C. Licensing, Education, and Examination Requirements
- D. Issuance, Renewal, and Termination of License
  1. License Maintenance
  2. Continuing Education
  3. Change in License Information
- E. License Conduct
  1. Agency Definitions and Requirements
  2. Advertising Requirements
  3. Misrepresentation
- F. Disciplinary Provisions
  1. Violations
  2. License Refusal, Suspension, Revocation
  3. Fines, and Other Sanctions
- G. Leasing Agent/Broker Relationships, including compensation

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 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 QUESTIONS (SCENARIO-BASED)

PSI Instructor National Real Estate 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)

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