PSI Services LLC
Phone: (855) 746-8172
E-mail: examschedule@psionline.com
https://test-takers.psiexams.com/inre

INDIANA REAL ESTATE COMMISSION
LICENSE EXAMINATIONS
CANDIDATE INFORMATION BULLETIN

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Please refer to our website to check for the most updated information at https://www.psiexams.com/inre

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Updated 9/11/2024

INDIANA EXAMINATION PROCEDURE CHECKLIST

Before registering for an examination, make sure that you have reviewed the following checklist.

- Before taking an examination, candidates must complete all prelicensing education. Contact the Indiana Professional Licensing Agency for more details at https://www.in.gov/pla/real.htm.
- The examination is divided into two portions: General and State Law. Candidates who pass one portion of the exam and fail the other need retake only the portion they failed, as long as they retake and pass the failed portion within one (1) year of completing the required prelicensing education.

Schedule for your examination:

- You are responsible for contacting PSI to pay and schedule for the examination. You may either schedule via the Internet at https://www.psiexams.com/inre, or schedule over the telephone at (855) 746-8172.

Take your examination:

- *You must provide 1 form of identification.* 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.
- Your name as shown on the application form must exactly match the name on the photo I.D. used when checking in at the examination site.
- Broker candidates must bring the original proof of completion from the prelicense education course. The certificate must be within 365 days of the test date. Proof must be presented each time a candidate takes the examination. **AN ELECTRONIC VERSION OR HARD COPY WILL BE ACCEPTED.**
- Instructor candidates only need to show their identification. Requirements for licensure are: pass the examination; be a licensed broker in Indiana or a license attorney in Indiana and must be working in conjunction with a licensed broker or licensed attorney.
- Please arrive 30 minutes prior to appointment.

After your examination:

- After passing the examination, candidates must submit the proper application forms and fees to the Indiana Professional Licensing Agency, as set forth on the Score Report issued at the test center. Application requirements can be found on the Professional Licensing Agency's website at http://www.in.gov/pla/2788.htm.

EXAMINATIONS BY PSI SERVICES LLC

This Candidate Information Bulletin provides you with information about the examination process for becoming licensed as a Real Estate Broker or Instructor in the State of Indiana.

The Indiana Real Estate Commission has contracted with PSI Services LLC (PSI) to conduct the examination program. PSI works closely with the Commission to make certain that these examinations meet the State's as well as nationally established technical and professional standards for examination development and administration. PSI provides these examinations through a network of computer examination centers in Indiana and various locations throughout the United States.

LICENSURE

For specific information about the licensing procedures, contact the Indiana Real Estate Commission at the following address:

Indiana Professional Licensing Agency
Indiana Real Estate Commission
https://www.in.gov/pla/real.htm

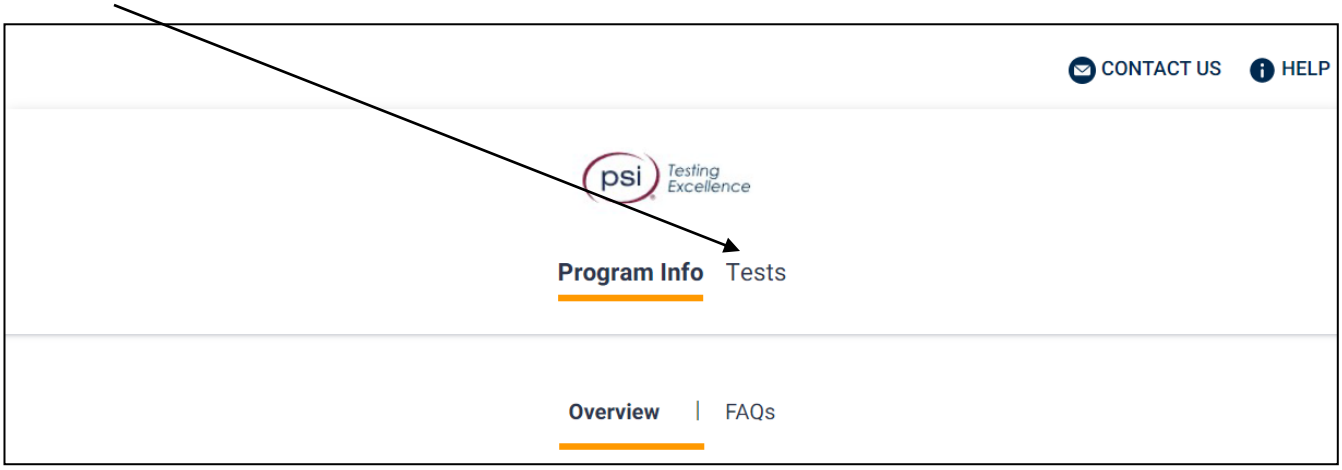
EXAMINATION SCHEDULING PROCEDURES

Examination Fee	**$53**

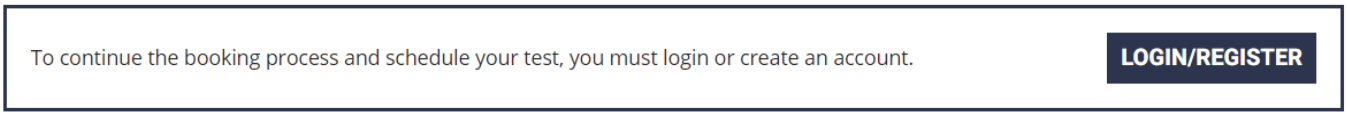
NOTE: EXAMINATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. THE EXAMINATION FEE IS VALID FOR ONE YEAR FROM THE DATE OF PAYMENT.

ON-LINE SCHEDULING

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

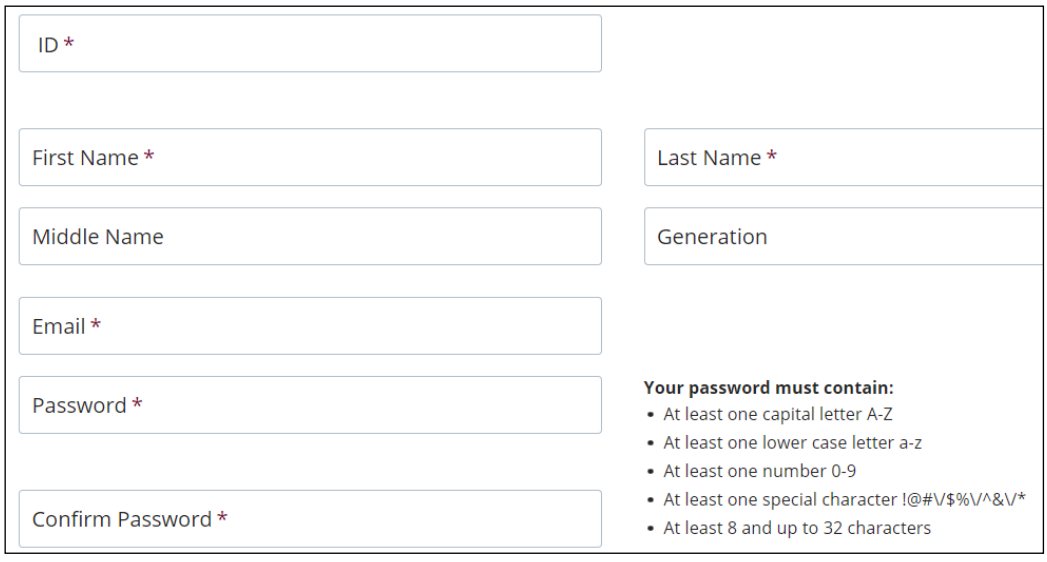


3. Select the examination and you are ready to create an account. Select **LOGIN/REGISTER**.

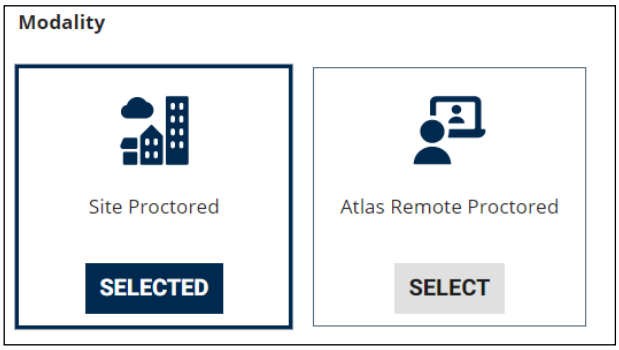


4. You will be prompted to **CREATE AN ACCOUNT** with PSI.

   The first and last name must match exactly with your current, valid, government-issued ID.

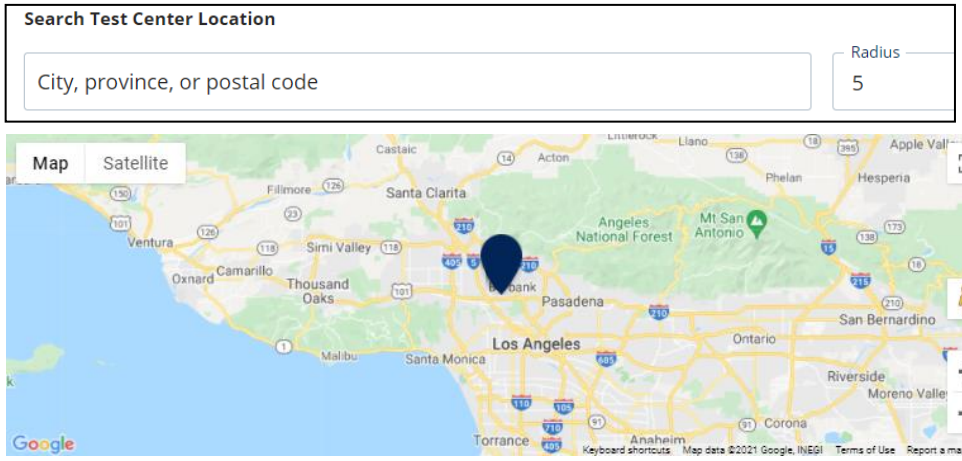


5. Select your test format: (Test Center) or (Remote Proctored).

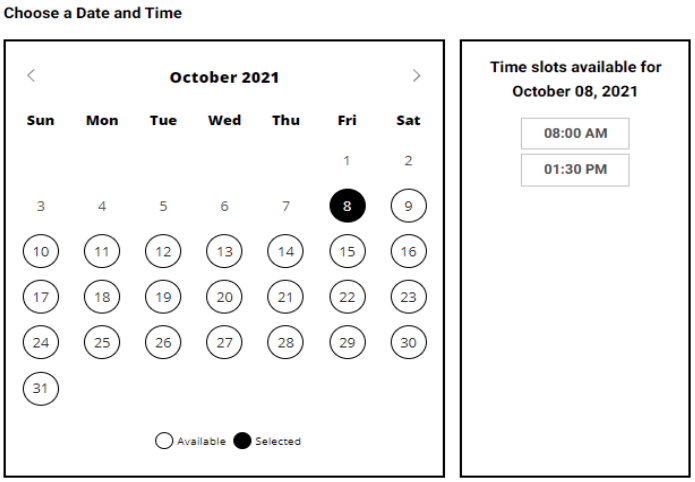


Scheduling at a Test Center

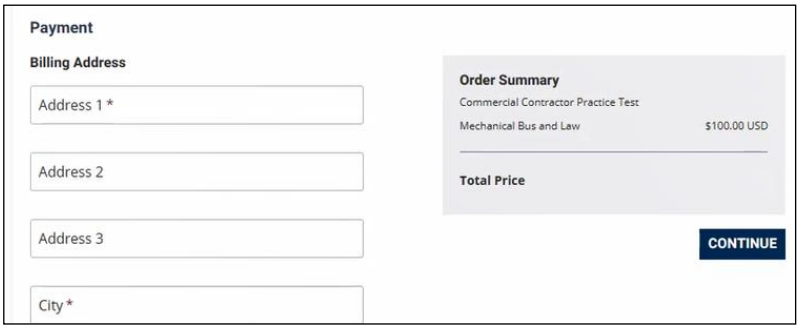
1. Enter the "City or Postal Code" and select **FIND**.



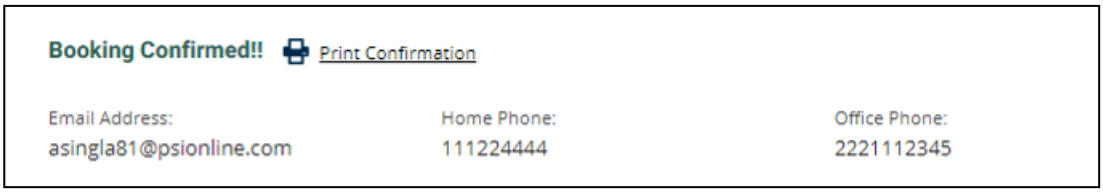
2. Select a date and time to book an appointment.



3. You are now ready to pay.

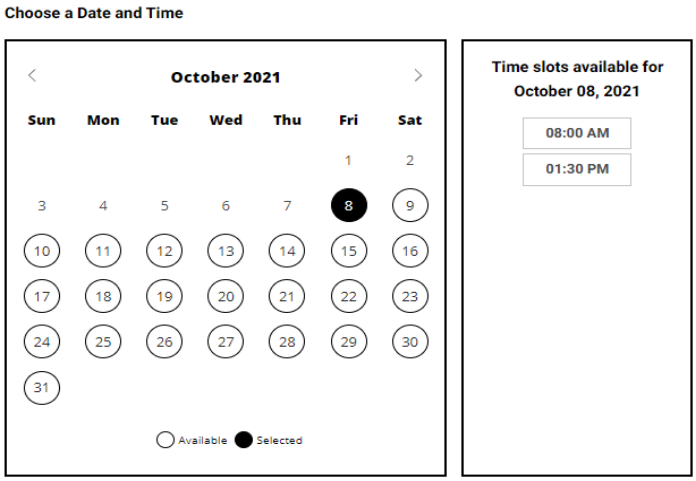


4. Once payment has been made you will receive a message confirming the test center, booked date, and booked time.

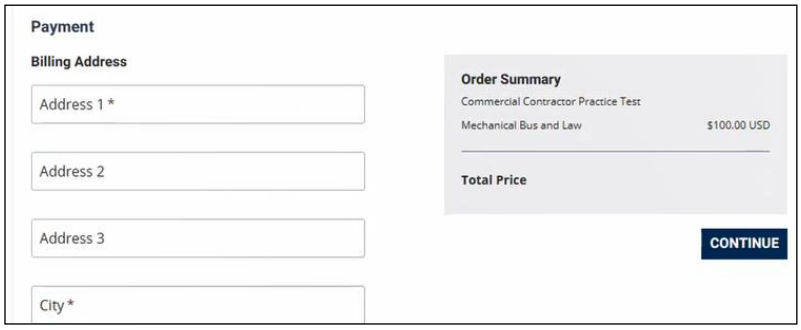


Scheduling via Remote Proctor

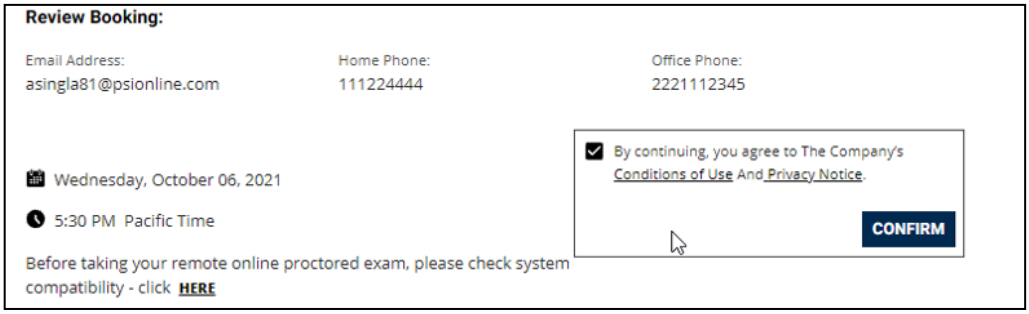
1. Select a date and time to book an appointment.



2. You are now ready to pay.

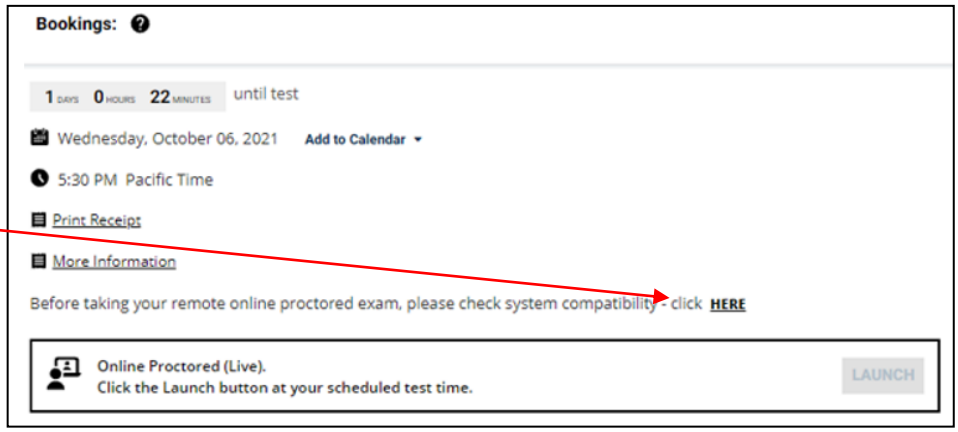


3. Once payment has been made you will receive a message confirming the booked date and booked time. Please review the booking before selecting **CONFIRM**.



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

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



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

TELEPHONE

For telephone scheduling, call (855) 746-8172, 24 hours a day and speak to a PSI registrar available 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 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://www.psiexams.com/inre or call PSI at (855) 746-8172.

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 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.

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. 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/inre or by calling (855) 746-8172. Every effort will be made to reschedule your examination at a convenient time as soon as possible.

EXAMINATION SITE LOCATIONS

The following directions are generated from the most current mapping services available. However, new road construction and highway modifications may result in some discrepancies. If you are not familiar with the specific area of the examination site, please consult a reliable map prior to your examination date.

Ivy Tech Community College
815 East 60th Street
Certification and Assessment Center
Anderson, IN 46013

Ivy Tech Community College
7508 Beechwood Center Rd., Room 103
Avon, IN 46123

Ivy Tech Community College
4555 Central Ave
Columbus, IN 47203

Ivy Tech Community College
410 East Columbus Drive, Room 220 D
East Chicago, IN 46312

Ivy Tech Community College
3401 N First Avenue
Evansville, IN 47710

Tom Wood Aviation Inc
9913 Willow View Rd
Fishers, IN 46038

Ivy Tech Community College
3701 Dean Drive- North Campus
Harshman Hall Room 0126
Fort Wayne, IN 46805

Ivy Tech Community College
22531 County Rd 18
Elkhart County Campus
Goshen, IN 46528

New Horizons Aviation Inc.
17229 County Rd 42
Goshen, IN 46526

PSI Indianapolis
9302 N. Meridian St, Suite 194
Indianapolis, IN 46260

Ivy Tech Community College
9301 E 59th St
Lawrence Fairbanks Bldg Room 147
Indianapolis, IN 46216

Kokomo Ivy Tech
1815 E. Morgan Street, Room M100
Kokomo, IN 46901

Ivy Tech Community College
3101 S Creasy Lane, Ivy Hall Building Room 1135
Lafayette, IN 47906

Ivy Tech Community College
50 Walnut St., Room 439
Lawrenceburg, IN 47025

Ivy Tech Community College
590 Ivy Tech Dr
Madison, IN 47250

Ivy Tech Community College
4301 South Cowan Rd Room 125
Muncie, IN 47302

Ivy Tech Community College
2357 Chester Blvd
McDaniel Hall, Room 1128
Richmond, IN 47374

Ivy Tech Community College
220 Dean Johnson Blvd
South Bend, IN 46601

Ivy Tech Community College
1700 E Industrial Drive
Terre Haute, IN 47802

Ivy Tech Community College
3100 Ivy Tech Drive
Valparaiso, IN 46383

Ivy Tech Community College
2545 Silveus Crossing
Warsaw, IN 46582

Merrillville Training and Testing Center
1443 East 84th Place
Merrillville, IN 46410

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

To gain admission to the Test Center, you must present (1) form of identification. The form of identification must be government issued, current and include your name, signature, and photograph. No form of temporary identification will be accepted.

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
- State issued temporary paper license is only acceptable if accompanied with a state issued unexpired permanent license
  NOTE: ID must contain candidate's photo, be valid and unexpired.

BROKER CANDIDATES MUST BRING THE ORIGINAL PROOF OF COMPLETION FROM THE PRELICENSE EDUCATION COURSE. The certificate must be within 365 days of the test date. Proof must be presented each time a candidate takes the examination. **AN ELECTRONIC VERSION OR HARD COPY WILL BE ACCEPTED.**

INSTRUCTOR CANDIDATES ONLY NEED TO SHOW THEIR IDENTIFICATION.

If you cannot provide the required identification, you must call (855) 746-8172 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:

- An online calculator will be provided. Or you may bring a silent non-programmable calculator without alpha keys.
- 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, 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 Indiana Real Estate Commission, 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://www.psiexams.com/inre 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 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.

Candidates taking a remotely proctored exam: Please note that you must select to end both the exam portion and survey portion of your test in order to receive your on-screen results and emailed score report. If you do not receive your emailed score report, you may reach out to scorereport@psionline.com.

You may request a duplicate score report after your examination by emailing scorereport@psionline.com. Include your name, candidate ID number and confirmation number. Your candidate ID number and confirmation number is on your exam confirmation email. Please allow up to 72 hours to receive your duplicate score report.

PREPARATION TIPS FOR THE 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.

BROKER APPLICANTS BY RECIPROCITY

If you are Applying by Reciprocity, please submit the following to the Indiana Professional Licensing Agency:

1. A check or money order made payable to the Indiana Professional Licensing Agency or "IPLA" in the amount of $60.00.
2. A completed broker application found at http://www.in.gov/pla/2788.htm. Be sure to include an email address as this is how your licensure status will be communicated.
3. An official verification of licensure in the reciprocal state.
4. Documentation showing the licensure requirements in your home state of licensure.
5. An official verification of any license held in any regulated profession in any other state, if applicable.
6. If you will be working under a broker or broker company, your broker must complete the broker information section of the application. If this section is left blank, your license will be issued in unassigned status unless you select inactive. You are required to complete continuing education (CE) in unassigned status. (Inactive and referral status does not require CE for renewal).

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 Commission. Use the latest edition available.

NATIONAL PORTION OF THE EXAMINATION

- 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

EXAMINATION CONTENT OUTLINES

EXAMINATION SUMMARY TABLE

Examination	Portion	# of Scored Items (points)	Time Allowed	Passing Score
Broker*	National	75 items (80 points)	150 Minutes	60 points
	State	50 items (50 points)	90 Minutes	38 points
Instructor	National	100 items (100 points)	150 Minutes	75 points
	State	50 items (50 points)	90 Minutes	38 points

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

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.

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.

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 BROKERS

I. Property Ownership *(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 *(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 *(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 *(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 *(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 *(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 *(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 *(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 *(Broker 6%)*

A. Types of deeds

B. Title Insurance and Searches

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

C. Closing Process

1. When transfer of ownership becomes effective
2. Process and importance of recordation

3. Settlement procedures (closing) and parties involved
4. Home and new construction warranties

D. Special Processes

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

X. Practice of Real Estate *(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 *(Broker 6%)*

A. Calculations for Transactions

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

B. General Concepts

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

STATE PORTION CONTENT OUTLINE FOR BROKERS

I. The Indiana Real Estate Commission (5 Items)

A. General powers and duties
B. Examination of records
C. Investigations, hearings, and appeals
D. Disciplinary sanctions
   1. Cease and Desist orders
   2. License suspension/revocation
   3. Other sanctions and civil penalties
   4. Consumer restitution/Recovery Fund

II. Licensing (9 Items)

A. Activities requiring a license
B. Exemptions and waivers
C. Types of licenses
   1. Individual
   2. Organizational
   3. Resident/Nonresident
   4. Other
D. License maintenance
   1. Post-licensing education
   2. Renewals
   3. Transfers/changes
      a. Agents changing brokers
      b. Broker termination of agent
   4. Continuing education
      a. Managing Broker
      b. Broker
   5. Active/inactive status, Assigned/unassigned status

III. Statutory & Regulatory Requirements (12 Items)

A. Advertising
B. Commissions and other compensations
C. Listing agreements and offers to purchase
D. Earnest Money and Trust Accounts
E. Appraisal
F. Seller's Residential Real Estate Sales Disclosure
G. Psychologically Affected Properties

IV. Statutes & Rules Governing Licensees (17 Items)

A. Real estate agency relationships
   1. Definitions
   2. Agency and disclosures
   3. Written office policies on agency
B. Licensee conduct
   1. Unfair inducements
   2. Incompetent practices
   3. Disclosures and other issues

V. Real Estate Office Procedures (7 Items)

A. Documents and records
B. Handling of monies
C. Place of business
D. Branch offices
E. Unlicensed assistants
F. Closing procedures
G. Managing Broker/broker relationship
   1. General supervision
   2. Employment and commissions issues
H. Broker Company/Broker Company relationship

GENERAL PORTION CONTENT OUTLINE FOR INSTRUCTOR

I. OWNERSHIP OF REAL ESTATE (27 Items)
- A. Concepts of property
- B. Concepts of estates in property
- C. How title is held
- D. Forms of ownership
- E. Forms of ownership by business entities
- F. Restrictions and encumbrances
- G. Transferring ownership
- H. Land use controls

II. REAL ESTATE BROKERAGE AND LAW OF AGENCY (10 Items)
- A. Concepts of agency
- B. Duties of agent to principal
- C. Duties of agent to others
- D. Principal's responsibilities
- E. Federal Fair Housing and ADA laws

III. REAL ESTATE CONTRACTS (13 Items)
- A. Reality of consent
- B. Listing contract essentials
- C. Offer to purchase / contract for sales
- D. Options

IV. PROPERTY MANAGEMENT (6 Items)
- A. Types of leases
- B. Rental payments
- C. Duties of a property manager

V. CLOSING THE TRANSACTION (4 Items)
- A. Closing documents
- B. RESPA

VI. FEDERAL TAXATION AND INVESTMENT IN REAL ESTATE (8 Items)
- A. Deductions for homeowners
- B. Tax on sale of personal residence
- C. Income and expense consideration in investment real estate
- D. Computing tax on the sale of investment real estate
- E. Security laws
- F. Investment analysis

VII. REAL ESTATE FINANCE (16 Items)
- A. Mortgage concepts
- B. Role of the federal government in finance
- C. The secondary mortgage market
- D. Sources of money for the borrower
- E. Types of loan programs
- F. Loan underwriting concepts
- G. Consumer legislation
- H. Mathematical calculations

VIII. VALUATION AND APPRAISAL (16 Items)
- A. Kinds of value
- B. Forces that influence value
- C. Basic economic principles influencing value
- D. Understanding the appraisal process
- E. Approaches to estimating value

STATE PORTION CONTENT OUTLINE FOR INSTRUCTOR

I. The Indiana Real Estate Commission (5 Items)
- A. General powers and duties
- B. Examination of records
- C. Investigations, hearings, and appeals
- D. Disciplinary sanctions
  1. Cease and Desist orders
  2. License suspension/revocation
  3. Other sanctions and sanctionable conduct, civil penalties
  4. Consumer restitution

II. Licensing (9 Items)
- A. Activities requiring a license
- B. Exemptions and waivers
- C. Eligibility for licensure
- D. Types of licenses
  1. Individual
  2. Organizational
  3. Resident/Nonresident
  4. Other
- E. License maintenance
  1. Post-licensing education
  2. Renewals
  3. Transfers/changes
     a) Agents changing brokers
     b) Broker termination of agent
  4. Continuing education
     a) Managing
     b) Broker
  5. Active/inactive status, Assigned unassigned status
- F. Other Indiana Real Estate Licensing laws and rules

III. Statutory & Regulatory Requirements (12 Items)
- A. Advertising
- B. Commissions and other compensations
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  4. Broker Company/Broker Company relationship
  5. Disclosures and other issues

V. Real Estate Office Procedures (7 Items)
- A. Documents and records
- B. Handling of monies
- C. Place of business
- D. Branch offices
- E. Unlicensed assistants
- F. Closing procedures

SAMPLE QUESTIONS

The following questions are offered as examples of the types of questions you will be asked during the course of the National real estate broker and instructor examination. 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 BROKER AND INSTRUCTOR QUESTIONS (SCENARIO-BASED)

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 Salesperson in Mary's office.

Answers (Points) to Sample 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);

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