

- 1) A Restaurant owner installed booths in a small shop. Later he decided to move to a bigger location. Can he take the booths and save some money?
 - a. No, the booths are attached to the building
 - b. Maybe, depends how he attached the booths
 - c. Yes, the booths are trade fixtures and can be removed prior to the end of the lease.
 - d. Yes, the booths are trade fixtures and can be removed any time
 - e. No, the booths are fixtures since they are attached.

- 2) When can a Salesperson sign a sales contract for their client?
 - a. When the salesperson has a listing agreement
 - b. When the salesperson is the client's attorney in fact
 - c. Never, the client must always sign
 - d. When the salesperson has written permission from their client.

- 3) The owner of a property you want to list has died. He/ She has four kids, and two of them want to list the property. What should the agent do before listing the property?
 - a. Have the deceased owner sign the listing agreement
 - b. List the property for the two kids
 - c. Require the other children to sign a quitclaim deed
 - d. Check the records to see who the current legal owner is
 - e. Only list the property with the signature of all four kids.

- 4) Which of the following is true regarding a qualifying broker and a licensee?
 - a. The licensee must earn a minimum commission set by license law
 - b. The broker must establish work schedules for all licensee
 - c. The broker must withhold taxes from the licensee commission
 - d. The licensee and the broker must enter into a written agreement.

- 5) When should a buyer or seller receive a copy of anything they sign?
- a. Within 24 hours
 - b. Within 48 hours
 - c. As soon as practically possibly
 - d. Immediately
- 6) A person having to walk through a bathroom to enter the master bedroom is an example of what?
- a. A big Master bedroom
 - b. Physical obsolescence
 - c. Building code violation
 - d. A historical design
 - e. Functional obsolescence
- 7) What is the value of a property that has a \$1,200 monthly NOI, and 8% rate of return?
- a. \$15,000
 - b. \$115,200
 - c. \$180,000
 - d. \$18,000
- 8) An uneducated person signs a sales contract with an "X", and he understands the terms of the contract. Is the contract binding?
- a. No, the uneducated person would need a guardian to sign
 - b. Yes, anyone over the age of 18 is a legal adult
 - c. Yes, because he understands the terms of the contract
 - d. No, the buyer is uneducated and therefor considered legally incompetent

9) When a buyer submits an offer that is accepted, what kind of interest do they now have in the property.

- a. None, the property hasn't closed yet
- b. An equitable interest in the property
- c. A right of redemption interest
- d. None, that buyer is Cray Cray and hasn't given the seller any money yet.

10) RESPA applies to which of the following transactions?

- a. A purchase of a new farm
- b. A gift deed contract of a home
- c. A first Mortgage on a home
- d. Land Sales contract of a home
- e. All the above

11) Your client purchases a home zoned as residential only, but they want to open a home business.

What must they do?

- a. Get a nonconforming use permit
- b. Put in a buffer zone
- c. Get a conditional use permit
- d. Open the business, and don't tell anyone.

12) A home sold at foreclosure would have which of the following liens paid off first?

- a. A mortgage lien
- b. A special assessment lien
- c. A mechanical lien
- d. An income tax lien

13) The owner of a rental home you manage does not want the house advertised in the local newspaper because his ex-husband works there. You know advertising it in the paper will produce a qualified renter quickly. What should you do?

- a. Advertise the property, your landlord agreement states you can use any means necessary to acquire a tenant.
- b. Advertise the property, but do not tell the owner you did so.
- c. Do not advertise the property because you owe your client confidentially
- d. Do not advertise the property because you owe your client obedience within the law.

14) You client wants to purchase a home that is listed for \$500,000 and ask you to put in an offer of \$490,000. They also ask you to put that the stove and new smart refrigerator stay in the property. The seller agrees to the price and the stove but refuses to leave the refrigerator. They like the fact that it can order groceries from Amazon for them. You cross that part out and the seller initials it. What kind of contract do you have?

- a. A binding agreement
- b. A terminated offer
- c. An accepted offer
- d. A counteroffer
- e. Both B and D
- f. Both A and C
- g. A voided contract
- h. None of the above

15) A salesperson shows a client a house with his own firm is creating what kind of agency when he or she submits an offer for their buyer?

- a. A general Agency
- b. An implied agency
- c. A Special Agency
- d. A Dual Agency

16) A lender tells an agent to try and reduce the contract prices by \$1,000 or their buyer will not qualify. What should you as the agent do?

- a. Amend the contract to reduce the price by \$1,000 so your buyer will qualify.
- b. Notify the seller and listing agent your client can't qualify for financing.
- c. Explain you need authorization in writing by both parties.
- d. Contact a new mortgage lender for your buyer, that can approve your buyer and have them be the new lender.

17) Who pays for any repairs found in an inspection report?

- a. The buyer
- b. The seller
- c. The listing Broker
- d. The selling Broker
- e. Split between all parties
- f. Whatever is stated in the contract.

18) A buyer and seller agree to do seller financing with a 30 year fully amortized loan. The buyer became the owner on record and original owner has placed a lien on the property to protect their interest in the event of non-payment. What type of transaction is this?

- a. A Land Contract
- b. A Purchase money mortgage
- c. A loan assumption
- d. A reverse mortgage

19) Your client signed a sales contract, but later wanted to void the contract since he was legally ruled incompetent prior to signing the contract. Can your client have the contract voided?

- a. NO, he signed the contract and must complete the transaction.
- b. Yes, he was ruled legally incompetent prior to signing.
- c. No, His guardian must follow through on the terms of the contract in their place.
- d. Yes, because a buyer can backout of a contract any time prior to closing.

20) An apartment building has a Value of \$750,000 and has a capitalization rate of 15%. If expenses equal 60% of gross operating income, what is the gross operating income?

- a. \$67,500
- b. \$112,500
- c. \$281,250
- d. \$199, 200

21) An Agent describes the property line to his/her client but does not tell them that it is just an estimate and not exact measurement. Later the client builds a fence, but has a suit filed against them by the neighbor claiming your client has encroached on their property. Is the agent liable for the encroachment?

- a. Yes, because the agent sold the house to their clients
- b. No, because agents must submit a survey at closing for the property
- c. Yes, since the agent did not disclose the boundaries were not exact.
- d. No, Georgia is a buyer beware state
- e. No, the agent's broker is liable since the contract was in the name of the broker.

22) A farmer planted, plowed, and harvested a field next to his property without the landowner's permission. He has done this for over twenty-five years, and now wants to claim ownership of the field. Can he do this?

- a. Yes, by filing Eminent domain procedures
- b. Yes, since he has a prescriptive easement
- c. Yes, by filing adverse possession procedures
- d. No, the land has an owner. He can still attempt to purchase the field from the original owner.

23) A country club owns some luxury homes and restrict the rental of the homes to club members only. They do this regardless if the prospective tenant is disabled. Is this a violation of Fair Housing or license law?

- a. Yes, no one may discriminate on housing based on the protected class of Fair Housing.
- b. No, if they do not discriminate in their club membership
- c. No, if the homes are not equipped to handle disabled people.

- 24) What is the best way to prevent an encroachment or to discover one?
- Have an appraisal done
 - Have an inspection done
 - Have a survey done
 - Examine the plat map and legal description
- 25) A single bedroom apartment rents for \$2,000 a month and has rent restriction. The apartment complex also has a \$100 monthly association fee. If the security deposit is equal to one months rent, and they have a pet fee of half one month's rent. What is the security deposit for a renter with a Pitbull?
- \$5,000
 - \$3,150
 - \$5,100
 - \$3,000
- 26) Which of the following would be taxed by ad valorem?
- All homes and land in Fulton County
 - All land in Newton county that is undeveloped only
 - An RV home based on where it is parked.
 - All furniture and items inside the home.
- 27) A landowner who has a lot with 18,750 square feet and has a depth of 150ft. If the landowner wants to purchase the property next to him that is 4,500 square feet and has a depth of 90 feet. How much frontage will the new owner have?
- 240 ft of frontage road
 - 150 ft of frontage road
 - 175 ft of frontage road

28) When a client asks you what price they should set the rent at in a landlord listing agreement, what should you use to help your client determine the rate?

- a. The size of each unit
- b. Based on the Zestimate rental rate
- c. The rental rates of similar units in the area
- d. Based on the number of units available for rent.
- e. Tell your client this is not your expertise and consult a lawyer.

29) What is the purpose of CC&R of a deed or plat map?

- a. To piss of the future owner
- b. To control future use of the land
- c. To control who moves into the area
- d. To prevent the future need to use police power against the property

30) A broker requires all agents to mention his law firm to all their clients for closing attorney. When asked by a client which closing attorney to use, what should you do?

- a. Tell your client to use the brokers law firm.
- b. Have them check rates from other law firms before contacting your broker's law firm.
- c. Tell them about your broker's law firm, but three others as well.
- d. Tell them about your broker's law firm, disclose the broker's ownership, and tell them about other firms in the area.
- e. Tell them about your broker's law firm, and they could get a discount if they use them. Mention they're other firms out there that could also offer discounts.

31) What is your take home from a home that was listed for \$180,000, but sold for \$190,000? If you have a 70/30 split with your broker, and the total commission from the sale was 7% and typical terms applied.

- a. \$4,655
- b. \$4,410
- c. \$8,820
- d. \$9,310

32) What kind of lease starts January 15th, 2018 and end July 1st, 2018?

- a. An Estate for Years
- b. An Estate at sufferance
- c. An estate for period to period
- d. An Air B and B

33) What kind of lease starts January 15th, 2018 and end January 1st, 2019?

- a. An Estate for Years
- b. An Estate at sufferance
- c. An estate for period to period
- d. An Air B and B

34) What kind of lease starts January 15th, 2018 and end July 1st, 2018, and renews for another six months?

- a. An Estate for Years
- b. An Estate at sufferance
- c. An estate for period to period
- d. An Air B and B

35) Which of the following violates an agent's duty of confidentiality?

- a. Telling a buyer, the property has been listed for two days.
- b. Telling a buyer that they can get their earnest money back if their offer is not accepted.
- c. Telling a buyer yes, the seller will accept a lower price, they are in a hurry.
- d. Telling a buyer that someone died in the house when asked.
- e. All the above

36) A homeowner gets a new loan for her house so she can update the kitchen and get a better monthly payment. What did she do?

- a. A Reverse Mortgage
- b. An equity line of credit
- c. A second mortgage
- d. A refinance loan

37) How many square miles in a township?

- a. 35
- b. 24
- c. 34
- d. 36

38) How many square feet in an acre?

- a. 53456
- b. 43560
- c. 43460
- d. 57746

39) What type of ownership does a multi-unit office building typically have?

- a. Tenants in common
- b. Joint Tenants
- c. Cooperative
- d. Condominium

40) Your client who uses a hover chair wants to rent an apartment, but the unit is not ADA

compatible. Your client doesn't need a ramp since his chair hovers but wants to install a grab bar in the shower and widen the door. Who will have to pay for this? The landlord wants the unit back the way it was after the lease is over, can he do this?

- a. The landlord will have to pay for the modification and can put it back to the original style at his expense.
- b. The landlord and tenant will split the modification, and the tenant must pay to have everything put back to the original style.
- c. The tenant must pay for the modification and must remove the grab bar but is not required to return the door to the original size.
- d. The tenant must pay and must return everything to its original style including the grab bar and door.

41) CAN-SPAM Act requires which of the following

- a. An opt-out clause
- b. A phone number
- c. A license marketing person for all advertising
- d. Your real estate licensed number on all advertising

42) Which best describe a complete ownership of land?

- a. A fee simple estate
- b. A Leasehold estate
- c. An estate by the entirety
- d. A community property estate

43) A Landlord hires you to manage his properties, when was an agency relationship created.

- a. When the landlord interviews you
- b. When the landlord signs a management agreement with your broker.
- c. When a renter signs a lease for a unit
- d. Only when units are available to rent

44) What kind of agency relationship was created in question number 43?

- a. A Universal Agency
- b. A General Agency
- c. A special Agency
- d. An Implied Agency

45) An owner wants you to offer a 90-day option to purchase their home. He says he will decide the price then. What should you do?

- a. List the property for a 90-day option to purchase but leave the price blank.
- b. List the property for a 90-day option to purchase, and state the price is negotiable.
- c. List the property for a 90-day option to purchase, state the price will be set in 90 days.
- d. List the property for a 90-day option to purchase but tell you client the price must be set prior to listing. Use the price your client agrees too.

- 46) Which of the following loans cannot have pre-payment penalty by law?
- a. All Loans can have pre-payment penalty
 - b. Lenders determine what loans have pre-payment penalties, not the law
 - c. VA loans
 - d. FHA loans
 - e. Conventional Loans
 - f. A and B only
 - g. C, D, and E
 - h. C and D only
- 47) North and South Line on Rectangular Survey System is called what?
- a. Baseline
 - b. Meridian
 - c. EW Line
 - d. NS Line
- 48) East and West Line on Rectangular Survey System is called what?
- a. Baseline
 - b. Meridian
 - c. EW Line
 - d. NS Line
- 49) When managing a property which of the following actions is legal?
- a. Refusing to rent to a same sex couple
 - b. Require the apartment manager company be every renter's attorney in fact
 - c. Ask someone with a services animal what their disability is
 - d. Collecting prospective renters ID, credit, and financial information.

50) Your client wants to list their lot that is 217,800 square feet. They are asking you for a recommended sales price, similar lots sold for \$50,000 per acre. What should you tell them?

- a. You cannot advise them on a sales price
- b. Around \$300,000
- c. Around \$249,000
- d. Around \$150,000
- e. Around \$200,000

51) What if your client property is only 10,890 square feet?

- a. Same as above, I cannot advise them on a sales price.
- b. Around \$12,500
- c. Around \$25,000
- d. Around \$15,000
- e. Not enough information provided to determine a price, since lot is less than an acre.

52) An agent has a client asking if their driveway will be paved. The agent knows the builder has done so in other subdivisions and tells the client yes it will be paved. If the builder does not pave the driveway, who is liable?

- a. The builder
- b. The buyer, GA is a buyer beware state
- c. The agent since the information was not verified
- d. The closing attorney since they didn't make sure it was in the contract.
- e. The broker, since they are responsible for all the licensee actions even if they are unaware of the statement.
- f. The city, they are responsible for streets and driveways.

53) When does a contract become binding?

- a. When earnest money is deposited.
- b. When an offer is made.
- c. When a counteroffer is made.
- d. When the offeror knows of an offer acceptance.
- e. When the offeree knows of an offer acceptance.

54) Which of the following can usually be deducted on a client's annual taxes?

- a. Fees for landscaping and maintenance
- b. All closing cost
- c. Discount points
- d. Their down payment
- e. Home improvements

55) What does the term condemnation refer too?

- a. A house being foreclosed on.
- b. A house that is no longer safe to occupy
- c. A property being taken by eminent domain
- d. All the above

56) What must a landowner receive for eminent domain of their property?

- a. Assurance their property is only taken as a park
- b. The Balance of their mortgage
- c. Market value
- d. Just compensation
- e. Compensation and assurance, it is being used for public benefit
- f. A and C

57) What happens if you decided to take a trip to Vegas and didn't get that lucky. You have now missed a payment on your mortgage, what can your lender do if you have an acceleration clause in your loan.

- a. Nothing, it was only one missed payment.
- b. Demand payment of the entire balance, at your next payment.
- c. Demand immediate payment of your entire balance.
- d. Increase the rate of the loan, based on the terms of your loan.

58) Your home located at 1234 Atlanta City St, Covington, GA 30014 in Newton County, Georgia United States of America is valued at \$280,000, and is assessed at 53.5% of the value. What is your real estate tax if Newton County, GA charges \$44.00 per \$1000 of the assessed value, and the city of Atlanta rate is \$20.00 per \$1000?

- a. \$2,996
- b. \$9,588
- c. \$6,592
- d. \$12,320

59) What type of commercial lease has the tenant pay all the utilities, taxes, and operating expenses, but the landlord pays the property insurance?

- a. A Step-up lease
- b. A Utility Lease
- c. A net lease
- d. A grounds-lease

60) A REALTOR® has an exclusive listing for a developer to sell all their houses. She shows property to all prospective buyers not working with a REALTOR®, and she prepares offers for those that decide to purchase. Which of the following is true?

- a. The buyer has a licensed representative.
- b. The buyer has no licensed representative.
- c. A Dual agency was created.
- d. The developer saves on commission.

61) You have a client purchasing a house built in 1977, which of the following is true?

- a. You must give the client a lead base paint disclosure, since all purchases of homes built prior to 1978 must receive this disclosure.
- b. You must give the client a lead base paint disclosure, since all homes purchased after 1978 must receive this disclosure.
- c. You must give the client a lead base paint disclosure, since all purchases of homes built prior to 1978 have been renovated.
- d. No disclosure is required, since You must give a client a lead base paint disclosure for all purchases of homes built prior to 1976.

62) You listed your client's property for 1.5 Million dollars, even though CMA showed the property was only worth 1.25 Million. You advised your client of the market prices, but they wanted it listed at 1.5 Million. After 8 months on the market the client has reduced the property price several times, and finally sold the property for 1.30 Million. The client blames you for the loss and time and decides to reduce your commission. Can they do this?

- a. No, the client must comply with license law
- b. No, once a commission is agreed upon it cannot be changed, unless both parties agree
- c. No, the commission cannot be changed once it has been agreed upon

- 63) You sold a client a home 20 years ago, but now the area is being rezoned commercial. This includes skyscrapers and parking garages. Does your client have to move?
- No, your client has a non-conforming use
 - Yes, your client is in a non-conforming use area
 - Yes, but your client can tie a bunch of balloons and take their house
 - No, if your client has a defeasance clause
- 64) To allow more use of a subdivision, a builder would apply for a variance to do which of the following?
- Decrease the number of storage units allowed in the division
 - Increase the number of single-family homes from one to two per acre.
 - To restrict the division to seniors only
 - To have more fire hydrants installed
- 65) When doing a listing presentation, you noticed some patch work on the roof. You asked your client who state that there was a previous leak, but it has been repaired. The client tells you not to disclose this information to any buyer since there is no active leak. What should you tell a prospective buyer?
- Nothing, you owe your client obedience
 - Nothing, you owe your client confidentiality
 - Tell the buyer there was a leak, but its been repaired and there is no problems or reason to worry.
 - Tell the buyer there was a leak, but it has been repaired. Inform the buyer they have the right to an inspection.
 - Nothing, if you and the seller list the property "As IS"
 - Have the property inspected yourself, so you can assure buyers everything is ok.

66) An income producing property may qualify as a tax-deferred exchange when it sells if the property was used for which of the following?

- a. The resident of an employee
- b. A resident to a corporate officer or member
- c. Held for the purpose of productive use in trade or business
- d. Have a Conventional loan
- e. Have amortized payment

67) Your client's a newly married couple are looking for a single-family home to start a family. One of your clients tells you her wife wants to turn the garage into a hair salon and needs at least a two-car garage to do so. After a few days of looking you find their dream house, and their offer is accepted. After closing your clients find out there is a covenant restricting home business in that subdivision. Who, if anyone is liable?

- a. No one is liable. The buyer should have looked up the CC&R
- b. The seller for not disclosing the CC&R
- c. The agent, since the client disclosed their needs. The agent should have check for CC&R regarding home business.
- d. No one is liable, the new owner just needs to apply for a variance to the covenant restricting home business.

68) A property with no liens was sold, and your client received a check in the amount of \$128,000 at closing. If your client paid \$1250 in closing cost, and the selling commission is 6%, what is the sale price?

- a. \$137,005
- b. \$137,500
- c. \$135,605

- 69) What is the primary purpose of the Real Estate Procedure Act (RESPA)?
- a. To prevent mortgage fraud.
 - b. To ensure all parties understand the cost of a real estate transaction.
 - c. To ensure the buyer understand the cost of a real estate transaction.
 - d. To protect the public from dishonest or incompetent lenders.
- 70) Your client buys 4 properties for \$10,000 each. He divides the property in half and then relist them for \$8,000 each. How much profit did he make?
- a. 50%
 - b. 60%
 - c. 55%
 - d. 40%
- 71) When a buyer defaults, what clause allows the seller to claim the earnest money.
- a. A defiance clause
 - b. A subordination clause
 - c. A forfeiture clause
 - d. A rescinding clause
 - e. An earnest money clause
- 72) You neighbor is installing a pool, which is a violation of the CC&Rs. To make it worse she wont even let you use the pool. What can you do?
- a. Pay for half the pool so you can use it
 - b. Nothing, it's their land
 - c. Call the police
 - d. File a court injunction to stop the work and have the pool removed.

- 73) The Gross Rent Multiplier (GRM) is part of which appraisal approach?
- a. The cost approach
 - b. The Market Date Approach
 - c. The square foot method
 - d. The Income approach
- 74) When you as a licensed agent are preparing a unique or complex real estate contract due to the terms the parties have agreed to, what should you do.
- a. Fill in pre-printed contract
 - b. Create New contract yourself
 - c. Consult a real estate lawyer
 - d. Have the parties change the terms to work with existing GAR forms.
- 75) Your client has accepted an offer and you are now under binding contract, when another buyer approaches with an offer. What should you tell that buyer?
- a. You can accept it as a backup offer with your client's permission
 - b. You can accept it if the terms are better
 - c. Too bad, so sad, should have got up earlier
 - d. Accept it as a backup offer.
- 76) If a listing agreement has no ending date, what law says it ends in one year.
- a. Brokerage Relationship in Real Estate Transaction Act
 - b. License law
 - c. Rules and Regulation
 - d. State or Federal Law
 - e. The Federal Contract Act of 2009

77) Which property do you adjust in the CMA approach?

- a. The comparable property
- b. The Subject property
- c. Both
- d. Depends on the adjustment

78) When showing properties to your client, you show them houses you believe they will fit in better based on their background. Is this legal?

- a. Yes, if the houses fit their budget
- b. No, this is an example of blockbuster
- c. No, this is an example of steering
- d. Yes, this is an example of an agent getting to know their clients need.

79) Your client listed a property for \$225,000 and agrees to a 7% commission. In the MLS you stated that you will split half the commission with the buyer agent. At closing, how much does the seller owe your broker?

- a. \$15,750
- b. \$7,875
- c. \$1,575
- d. \$2,575

80) A Buyer has a purchase option for 3 months but decides not to exercise it after two weeks. What should the seller do to terminate the option?

- a. Have an agent do a termination agreement
- b. Nothing, an option expires automatically
- c. Sue the buyer since they decided not to purchase
- d. Use the contingency clauses in an option

81) Your client is purchasing a home from a for sale by owner, and both the sellers have signed the contract. Prior to closing you learn that an ex might have claim to the property, what should you do?

- a. Advise your client to prepare to sue the seller for breach of contract
- b. Inform both parties the closing can't take place
- c. Tell the sellers to consult a lawyer regarding a quit claim deed
- d. Ignore the situation since your client will have title insurance to protect them from future claims.

82) You sell your client property for \$180,000; their existing mortgage is only \$60,000. The seller also agrees to pay \$2500 closing, and 6% commission. What is your client's net profit?

- a. \$110,000
- b. \$110,500
- c. \$106,700
- d. \$85,000

83) Your client is pre-approved for 100% financing with a lender who will lend double your client's annual income. If your client's annual income is \$65,000 and wants to purchase a house listed for \$150,000. What will their down payment be?

- a. \$30,000
- b. \$0
- c. \$10,000
- d. \$20,000

84) Your investor is selling a house "As Is" and told you about a leaking roof and had a survey and termite inspection done. He informs you that the report shows minor termite damage and he had it treated. If a buyer inspects the house, and the agent didn't disclose the termite treatment. Could the agent be liable for termite damage in the future after closing?

- a. No, the seller would be responsible
- b. No, both the seller and agent would be responsible
- c. Yes, only the agent is responsible
- d. Yes, but the agent may be protected if the seller shows proof of treatment.

85) What is the benefit of being a limited partnership?

- a. Authority to manage the partnership
- b. Reduce liability and Limited management of the business
- c. Reduced liability and no management authority
- d. None

86) A valid real estate contract must have.

- a. Contingencies
- b. Earnest Money
- c. Due Diligence
- d. Consideration
- e. Valuable consideration

87) What is the security used for in an equity loan?

- a. An equity loan is an unsecured loan
- b. The borrower's property
- c. The borrower's vehicle
- d. I don't know I'm not a loan officer

- 88) Which of the following has the potential to increase your property's value?
- a. A bunch of New Construction homes being built
 - b. An Amazon Manufacturing plant opening in the area
 - c. A new airport being built one mile from your house
 - d. Zoning change allowing lowing income housing to be built
- 89) What would you use to change any terms on a binding contract, such as due diligence date extension?
- a. An extension form
 - b. A contingency
 - c. An Amendment
 - d. A bilateral agreement
- 90) You have four clients that purchased an investment property together. Your clients want to ensure that if one of them kills the other owners, the property could go to their heirs and not the other owners. What type of ownership did they get?
- a. A joint tenancy
 - b. A tenant in common
 - c. A community Property
 - d. Tenancy by the entirety
- 91) What two ownerships have the right of survivorship?
- a. Joint Tenancy and Tenants in common
 - b. Joint Tenancy and Tenancy by entirety
 - c. Community Property and Joint Tenancy
 - d. Georgia doesn't recognize the right of survivorship

92) Which of the following is a licensed real estate agent allowed to do?

- a. Bind the client to a contract
- b. Submit all offers immediately
- c. Hold Earnest money in their insured saving account
- d. Withhold known defects, if ordered to do so by the client
- e. A and B

93) A Metes and bounds description must have all the following, except?

- a. Point of beginning
- b. Four Sides
- c. County and States
- d. Bearings

94) Does a promissory note have to be attached to the mortgage?

- a. No, its internal record for the lender only
- b. Yes, it is part of the agreement
- c. No, it's a contract in itself
- d. No, it's for internal Broker records only

95) What is a promissory note?

- a. A promise to purchase a home
- b. A promise to pay a future debt.
- c. Part of a mortgage
- d. A private deal between the buyer and seller
- e. Just a piece of paper, and has no legal authority

96) You have a client who wants to purchase a property for her husband and wants to ensure there is equity already in the house. What should your client do?

- a. Get a VA loan if eligible
- b. Get an FHA loan
- c. Place a large down payment
- d. Get a second mortgage

97) What does economic-base analysis mean in appraisals?

- a. Is a way of measuring economic factors that could affect the value of a property and community.
- b. It refers to the economic life of a property
- c. A way of measuring the return on investment for a property
- d. A way of measuring publicly provided benefits

98) Having a furnace serviced annually is what kind of maintenance?

- a. Constructive maintenance
- b. Yearly maintenance
- c. Corrective maintenance
- d. Preventative maintenance

99) An environmental hazard is something that could affect the property and use of the property and must be disclosed. Which of the following is considered an environmental hazard?

- a. Someone with AIDs
- b. A Meth lab
- c. Lead Base Paint
- d. B and C
- e. A and B

- 100) A minor lease an apartment, in Atlanta for \$1200 a month. The day the he turns 18 he tells the apartment owner he is terminating the lease and moving out. Is this legal?
- a. No, the minor is bound by contract
 - b. Yes, if the minor gives proper notices
 - c. Yes, a contract signed by a minor is voidable by the minor
 - d. No, the minor can only move out when the lease ends
- 101) What does a novation clause in a mortgage do for your client during a loan assumption?
- a. During a loan assumption the seller is still liable
 - b. During a loan assumption the seller is released from liability
 - c. During a loan assumption the seller is released as primary liability, but is still secondary liable
 - d. A novation clause does not apply to a loan assumption.
- 102) During a listing presentation what should you disclose to the seller?
- a. The amount of money you will use in advertising
 - b. The time it will be on the market
 - c. The market conditions
 - d. Lead Base Paint in the house down the street
- 103) Which of the following do you owe a customer?
- a. Honesty
 - b. Confidentiality
 - c. Accounting
 - d. Nothing, unless they sign an agreement

- 104) Which of the following loans is required to have a pre-payment penalty disclosed if one applies under the Federal Truth in Lending Act?
- a. A construction loan
 - b. A developer's loan for a new subdivision
 - c. A conventional loan
 - d. All the above
- 105) An option to purchase a home is what type of contract?
- a. A bilateral contract
 - b. A Unilateral contract
 - c. A Sales Contract
 - d. A Purchase and Sales agreement
- 106) What is the purpose of having your client get a survey?
- a. To check for encumbrances
 - b. To check for encroachments
 - c. To determine property line
 - d. A and B
 - e. A and C
 - f. B and C
 - g. All the above

- 107) You are at a listing presentation, and your prospective customers tells you how they have lived here for a long time, and want to make sure the house goes to someone that fits in. They ask you to ensure the right people apply. What should you do?
- a. Take the listing and present all over and hopefully they get one from someone that fits their criteria.
 - b. Ensure only people that client thinks are right for the neighborhoods submit offers.
 - c. Tell them, they are moving why do they care. But in a nicer way.
 - d. Tell them what they are asking might violate Fair Housing law, and if they insist refuse the listing.
- 108) You as a licensed agent get a listing for a six-month period, but next week you have a family emergency and must move to Florida. What happens to that listing?
- a. It is void
 - b. It is valid
 - c. It is voidable
 - d. It is terminated
- 109) Your client calls you saying they are being sued because the ex of the owner says they have claim to the property. Your client received a special warranty deed, what covenant if any will protect them?
- a. None, there is no protection
 - b. The covenant of quite enjoyment
 - c. The covenant of Seisin
 - d. The Special warranty deed itself

- 110) What does universal and general agency have in common?
- a. They both give complete authority over everything
 - b. They both apply to the broker
 - c. They both have a principal
 - d. They both deal with real estate only
- 111) An investment property may deduct all the following from their taxes except.
- a. Interest paid on the mortgage
 - b. Making additional payments towards mortgage
 - c. General repairs and maintenance
 - d. Rent the owner pays for the land
- 112) A Buyer using a conventional loan with no PMI, has put how much down?
- a. 10%
 - b. 20%
 - c. 3.5%
 - d. 0%
- 113) A tenant that stays past their lease is causing a financial hardship to the property owner.
- The tenant is now a?
- a. Trespasser
 - b. A stay over tenant
 - c. An Estate at sufferance
 - d. An Estate at will
 - e. A periodic estate

- 114) When does Joint Tenancy change to a joint tenancy in common?
- a. When one owner dies
 - b. When one owner sells their shares to the other owners
 - c. When one owner sells their shares to their cousin
 - d. Never, it always stays a joint tenancy
- 115) Who may own a property as a solo owner?
- a. Two Brothers
 - b. A Husband and Wife
 - c. DelPriore's Realty LLC
 - d. A Partnership
- 116) Who owns the land of an office building that has a condominium ownership?
- a. The developer
 - b. The unit owners as joint tenancy
 - c. The unit owners as tenancy in Common
 - d. The unit owners as a severalty owner
- 117) Mark occupies a building owned by his company and pays his share of the bills for the property taxes, insurance, and utilities for the building. What kind of ownership is this?
- a. A Cooperative
 - b. A condominium
 - c. A timeshare
 - d. A General Partnership

- 118) What kind of lease does Mark have in question #117?
- An Estate for years
 - A General Lease
 - A Grounds Lease
 - A proprietary lease
- 119) Joint Tenancy has all but which of the following?
- Right of Survivorship
 - Equal Interest
 - The right to Probate
 - Right of equal possession
- 120) Your client wants to deed his property to his niece on her eighteenth birthday, he signs the deed and places it with his attorney to hold until her birthday party. Unknown to the attorney or niece, your clients passed away a few hours before the birthday party. The attorney delivers the deed in good faith, who owns the property?
- The Niece
 - Your clients spouse
 - Your client's estate
 - The state, by escheat
- 121) Ben owns 50 acres and decided to deed the front 30 acres to his son Andrew. What kind of easement would Ben have put in the deed to ensure he had access to his back 20 acres?
- Easement by reservation
 - Easement by necessity
 - Easement by Grant
 - Easement by original ownership

- 122) Sam owns 30 acres of farmland and has a 5 acres lake on her property. She has given verbal permission for her neighbors to fish on her lake. After fifteen years of this, Sam decided to put a fence up around the lake and deny anyone access. The neighbors claim they have an easement since that have used it for over ten years which is the state minimum for adverse possession. Do the neighbors have an easement?
- a. Yes, they have a prescriptive easement
 - b. No, a landowner may revoke a licensee at any time
 - c. Yes, they have an easement by necessity
 - d. No, but they can file adverse possession action to take title to the lake.
- 123) Your client wants to list their property, and stated they only need \$220,000 and you can keep anything above that. They advise you to list it at market price, or slightly below to sell the property fast. Is this a legal listing?
- a. Yes, if the sales price covers the commission
 - b. No, this is a net listing
 - c. Yes, if the client makes their \$220,00
 - d. Yes, with the permission of your broker
 - e. No, unless you have permission from the GREC.
- 124) The bundle of rights includes of the following, except?
- a. Possession
 - b. Control
 - c. Deposition
 - d. Ownership

- 125) The four unities of Joint Tenancy include all the following, except?
- a. A single title
 - b. The right of survivorship
 - c. Must have equal interest
 - d. Title must have been received by all joint tenants at the same time
- 126) A new homeowner has built the house on the lot located directly behind you. The new owner approaches you and informs you, they need to build a driveway through your property to access their land. If there is no other means to access this property what types of easement is created?
- a. An easement by prescription
 - b. No easement exists
 - c. An easement by necessity
 - d. An easement by grant.
- 127) The landowner that has lost their property to the easement for a driveway is what types of estate?
- a. The dominant Estate
 - b. The servient Estate
 - c. An Estate at will
 - d. An Estate at sufferance
- 128) An Easement does all the following except?
- a. Create an interest in land from someone other than the landowner
 - b. Can be revoked by the Dominant Estate
 - c. Can be revoked by the Servient Estate
 - d. Creates an encumbrance against a property

- 129) Your client is looking for a 3 bedroom and 2 bath house in the Lithonia area. There are several houses that meets those requirements in Lithonia, but you feel like your clients would be better off in the Decatur area since there are more churches that recognize their religion, and Lithonia wouldn't be. This is an example of?
- Looking out for the best interest of your client
 - Blockbusting
 - Steering
 - Guiding
- 130) You just sold a house to a Cuban client in a subdivision that is predominantly white. Should you inform the neighbors that a Cuban has moved into the area and see if they are now willing to sell?
- No, you owe your client confidentiality
 - No, that's an example of blockbusting
 - No, that's an example of steering
 - No, that's an example of inducing
 - Yes, they have the right to know and could make the agent another sale.
- 131) You send your client to a lender to get pre-approved. The lender denies your client and notifies you and they no longer lend in Covington due too to many foreclosures. The lender says your client has great credit and income, and that she can approve them for any other area. Is this legal?
- Yes, the lenders must protect themselves
 - No, this is a violation of fair housing
 - No, this is redlining
 - No, this is Sherman Anti-Trust violation

- 132) Your client has an investment property that has a NOI of \$1,300 a month. They have been using a 10% capitalization to determine their property value. They are now looking to list the property. To help determine the right prices, you notice that similar properties are using 8% capitalization rate. What is your client's property value with an 8% capitalization rate?
- a. \$195,000
 - b. \$16,250
 - c. \$156,000
 - d. \$124,800
- 133) Which of the following is not a violation of agency, license law, or rules and regulations?
- a. Failure to put an ending date on a contract
 - b. Failure to put a street address in the legal description
 - c. Failure to leave a copy of anything sign with your client
 - d. Failure to disclose you're an agent when acting as a principal
 - e. All the above violate license law, agency, or rules and regulations
- 134) When can a broker not deposit money in a trust account?
- a. Never, all money held by the broker must be deposited in a trust account
 - b. When the broker has written permission from the Buyer
 - c. When the broker has written permission from the Seller
 - d. When the broker has documented permission of both parties.
- 135) An agent wishing to take a break from the industry, but not give it up. They place their licensee on inactive status, how long can they do this for?
- a. Three Year
 - b. Five Years
 - c. Forever

- 136) The Research, Education, and Recover fund will pay how much per licensee violation, and how much total per licensee?
- a. \$25,000 and \$75,000
 - b. \$25,000 and \$50,000
 - c. \$50,000 and \$75,000
 - d. \$25,000 and \$100,000
- 137) In Georgia a new real estate agent must complete _____ hours within one year.
- a. 9 hours
 - b. 6 hours
 - c. 32 hours
 - d. 25 hours
- 138) The Georgia Real Estate Commission has the authority to issue fines for violation of license law or rules and regulations. How much will a fine cost for a violation of license law?
- a. \$2,000 per violation and up to \$10,000 for multiple violation.
 - b. \$1,000 per violation and up to \$5,000 for multiple violation.
 - c. \$2,500 per violation and up to \$25,000 for multiple violation.
 - d. \$2,000 per violation and up to \$5,000 for multiple violation.
- 139) A builder is offering an agent bonus of \$2,000 to the first agent who finds a qualified buyer. If you find a buyer for the new home, are you legally able to accept the \$2,000 bonus?
- a. Yes, with proper disclosure to the purchaser
 - b. No, this is a kickback and a violation of license law
 - c. Yes, with disclosure and permission from your broker
 - d. Yes, with disclosure to the Real Estate Commission

- 140) Georgia law allows a Real Estate sign to remain on the property after a listing has expired or closed. According to license law, how long can an agent leave their sign up at an expired listing that didn't sell?
- a. 0 days since the transaction didn't close, they sign must be removed immediately
 - b. 5 days from the date of expiration
 - c. 7 days from the date of expiration
 - d. 10 days from the date of expiration
- 141) You know the owner of the house down the street is about to sell their house. You believe the house will easily sell for a million dollars and want to be first in line. To do this you start getting buyers ready to present an offer, can you do this?
- a. Yes, its common real estate practice
 - b. No, this would be offering an unlisted property
 - c. Yes, if you don't use public advertising
 - d. No, this would create a dual agency
- 142) Which of the following would be an example of unfair practices?
- a. Encouraging a buyer to get an inspection
 - b. Encouraging a buyer to break their contract with another agent, with your brokers permission
 - c. Show a couple around an open house who has an agent
 - d. Encouraging a customer to list with your broker instead of another broker.
 - e. All the above are unfair practices
- 143) A licensed real estate agent does what to determine the value of a listing?
- a. An Appraisal
 - b. A Comparative Market Analysis

- 144) Your cousin brings you a potential listing, and all they ask for in return is a \$25 gift card from Starbucks. Is this legal?
- a. Yes, since the value is nominal
 - b. Yes, if the agent informs the broker
 - c. Yes, so it's a gift card and not actual money
 - d. No, no unlicensed individual can receive any kind of referral.
- 145) Your client puts in an offer and gives you \$1,000 earnest money on Monday night. The offer was accepted Wednesday at noon. When would you turn over the earnest money to your broker?
- a. Probably Monday night
 - b. Probably Tuesday morning
 - c. Probably Wednesday afternoon
 - d. Probably Thursday morning
- 146) Is your broker allowed to put earnest money in an interest-bearing trust account?
- a. No, this is a violation of license law
 - b. Yes, if the buyer agrees
 - c. Yes, if all parties agree
 - d. No, this is a violation of rules and regulation
- 147) You get a listing for a property that's only \$50,000 dollars. The seller expects you to advertise the property. Which of the following is true?
- a. Advertising the property is common practice and nothing else is needed
 - b. Permission to advertise the property must be in writing
 - c. Since the sell prices and commission would not cover advertising, none is needed.
 - d. Verbal permission is needed to advertise the property

- 148) To receive any funds or anything from a real estate transaction, one must have a real estate licensee according to Georgia Law. Is giving your seller client a \$100 gift card as a closing gift a violation of Georgia Law?
- a. No, with the listing brokers permission
 - b. No, if the buyer is a licensed agent
 - c. No, with permission from the Real Estate Commission
 - d. No, if the agent pays for the closing gift.
- 149) A real Estate Agent that violates license law or rules and regulation can be found guilty of a _____?
- a. Misdemeanor
 - b. Felony
 - c. Fraud
 - d. Criminal misrepresentation
- 150) Which of the following would most likely be considered incurable?
- a. A Functional obsolesce
 - b. An Economical obsolesce
 - c. A Physical obsolesce
 - d. Depreciation
- 151) Outdated appliance would be considered what type of obsolesce?
- a. A Functional obsolesce
 - b. An Economical obsolesce
 - c. A Physical obsolesce
 - d. Depreciation
 - e. Outdated appliances are not considered an obsolesce

- 152) A person found guilty of license law or practicing real estate without a real estate license could be found guilty of a _____?
- a. Felony
 - b. License law violation
 - c. Misdemeanor
 - d. Federal License Law
- 153) Which of the following would be considered a dual agency, and while it is legal in Georgia, it is highly discourage?
- a. An agent representing two parties in the sell or a home
 - b. An agent working with a buyer and seller, both as customers
 - c. An agent working with a buyer and seller, both as clients
 - d. An agent representing their broker
- 154) When must an agent notify the Georgia Real Estate Commission about an address change?
- a. Within 10 days
 - b. Within 24 hours
 - c. Within 60 days
 - d. Within 30 days
- 155) Fee and fines collected by the Georgia Real Estate commission must be held where?
- a. In an insured trust account
 - b. By the members of the commission
 - c. In an insured business checking account
 - d. In the state treasury

- 156) An applicant for a salesperson licensee must complete all the following except.
- Take a 75 hour in seat class
 - Pass a background check
 - Pass the state exam
 - Pass the class final exam
 - Be 18 years of age
 - All the above apply to real estate licensee
- 157) A Salesperson wanting to become a broker can take the brokers exam when?
- Three years
 - Two Years
 - When ever
 - Five Years
- 158) Unless a licensee renews their licensee, it will expire on?
- Their birthday
 - The end of the year
 - The end of their birthday month
 - December 31st of the expiration year
- 159) In order to manage a community association a licensee would need at the minimum of what kind of license, and training hours.
- A Real Estate Licensee and 25 hours
 - A Real Estate licensee and 75 hours
 - A CAM license and 25 hours
 - A Cam license and 75 hours
 - A Brokers license and 60 hours

- 160) A new applicant for a real estate licensee that just passed their exam has how long to activate their license or retake the exam?
- a. One Year
 - b. 18 Months
 - c. 3 Months
 - d. No time limits
- 161) Unless grandfather in, a license agent must complete how many hours of continuing education per license renew?
- a. 25 hours
 - b. 36 hours
 - c. 48 hours
 - d. 9 hours
- 162) From the above requirements how many hours are required to be license law per renewal?
- a. 6 hours of license law
 - b. No minimum required
 - c. 3 hours of license law
 - d. 9 hours of license law
- 163) What recourse does a real estate agent have if their broker is not abiding by their employment contract when it comes to commission?
- a. File a complaint with GREC
 - b. Sue the broker
 - c. Go to the courts of other arbitrating body such as your boards
 - d. File a claim against the research, education, and recovery fund.

- 164) Which of the following actions must be reported to the Georgia Real Estate Commission?
- a. An Agent arrested for murder
 - b. An Agent arrested for theft
 - c. An Agent arrested for assault
 - d. An Agent arrested, and found innocent of reckless driving
- 165) Which of the following is considered a blind ad?
- a. An advertisement using your brokers name
 - b. An advertisement without the property address
 - c. Your selling a house without your license number on contract
 - d. An agent that is blind, and except from advertising regulations
- 166) A licensed salesperson wants to perform brokers duties for an unlicensed developer, which of the following is true?
- a. The agent cannot do this, since the developer is not licensed
 - b. The agent will have to put their license on inactive status
 - c. The agent needs to permission of their broker
 - d. The agent must surrender their license
- 167) According to BRRETA, brokerage relationships must be?
- a. In writing
 - b. In writing with a definite date of expiration
 - c. Be signed by the broker
 - d. Can be verbal if less than one year

- 168) Can earnest money held by the broker be used to pay for inspections and appraisals?
- a. Never
 - b. Yes, that is what earnest money is used for
 - c. Yes, with written permission from the seller
 - d. Yes, with written permission from the buy and seller
- 169) What name must property be advertised in?
- a. The brokers name
 - b. The agents name
 - c. The brokerage's name
 - d. The name registered with the GREC
- 170) A CAM that handles funds over \$60,000 is required to have?
- a. Homeowners Insurance
 - b. Fidelity Bond Insurance
 - c. E&O Insurance
 - d. Hazardous insurance
- 171) Any agent found in violation of license law or rules and regulations, have the right to what?
- a. A jury Trail
 - b. A hearing before the commission
 - c. A lawyer
 - d. Arbitration

- 172) A salesperson presenting two offers to their client, may discriminated against the offers if discriminating against?
- a. Their race
 - b. Their familiar status
 - c. Their financial status
 - d. Their disability, and cost of modification
- 173) The Georgia Real Estate Commission has how many members?
- a. 5 Members
 - b. 5 Members, 4 licensed
 - c. 6 members, 5 licensed
 - d. 6 members
- 174) They commission serves what kind of terms?
- a. 5 Years
 - b. 6 Years
 - c. 5 Years, staggered
 - d. 6 Years, staggered
- 175) Who appoints the commission?
- a. The senate
 - b. The Governor
 - c. The Governor, with senate confirmation
 - d. The senate, with the Governors confirmation

- 176) What is the first thing a broker must prove in any adverse action against them, or any claim of commission?
- a. They're were the procuring clause
 - b. They were actively license at the time
 - c. The Broker, and any agent part of the transaction were properly licensed
 - d. They had a sign agreement with their client
- 177) What state statute is mainly designed to regulate advertising?
- a. RESPA
 - b. Fair Business Act
 - c. Advertising Act of 2008
 - d. The Uniform Deceptive Practice Act
 - e. A and C
 - f. B and D
- 178) In Georgia, which of the following would not be part in the legal description?
- a. County and State
 - b. Point of Beginning
 - c. Subdivision name
 - d. Lot and Block number
 - e. Range and Township
 - f. A and C
 - g. C and E
 - h. B and D
 - i. E and A
 - j. D and E

- k. A and B
 - l. B and C
- 179) In Georgia the time share act gives a prospective buyer a _____ days right of recession.
- a. 3 days
 - b. 7 Days
 - c. 10 Days
 - d. 5 Days
- 180) What is the purpose if earnest money?
- a. To provide a down payment
 - b. To provide assurance to the seller, the buyer will meet the terms
 - c. To provide assurance to the buyer, the seller will meet the terms
 - d. As pre-paid closing cost
- 181) When would earnest money not be released?
- a. After the closing and all terms have been meet
 - b. Before the offer was accepted
 - c. When demanded by the buyer or seller
 - d. Upon agreement by all parties
- 182) What clause would be included in a sales contract to ensure the contact survive the closing and the seller meets the terms?
- a. A Repair clause
 - b. A Contract Clause
 - c. A closing clause
 - d. A survival clause

- 183) What is a property manager responsible for?
- a. Maximizing Net income and economical life
 - b. Conducting all repairs
 - c. Maintain full occupancy
 - d. Adjust rent to keep units occupied.
- 184) In Georgia a buyer would receive a _____ as evidence of the debt, and to show proof of ownership.
- a. A promissory note
 - b. A security Deed
 - c. A security title
 - d. A title to the property
- 185) In Georgia who can legally conduct a closing?
- a. A license Broker
 - b. A member of the commission
 - c. License Attorneys
 - d. Licensed Brokers and License attorneys

Answer	Answer	Answer	Answer
1) C	47) B	93) B	139) C
2) B	48) A	94) C	140) D
3) D	49) D	95) B	141) B
4) D	50) C	96) C	142) B
5) D	51) B	97) A	143) B
6) E	52) C	98) D	144) D
7) C	53) D	99) D	145) B
8) C	54) C	100) C	146) C
9) B	55) C	101) B	147) B
10) C	56) D	102) C	148) A
11) C	57) C	103) A	149) A
12) B	58) C	104) C	150) B
13) D	59) C	105) B	151) A
14) E	60) B	106) F	152) C
15) D	61) A	107) D	153) C
16) C	62) B	108) B	154) D
17) F	63) A	109) C	155) D
18) B	64) B	110) C	156) A
19) B	65) D	111) B	157) B
20) C	66) C	112) B	158) C
21) C	67) C	113) C	159) C
22) C	68) B	114) C	160) A
23) B	69) B	115) C	161) B
24) C	70) B	116) C	162) C
25) D	71) C	117) A	163) C
26) A	72) D	118) D	164) D
27) C	73) D	119) C	165) C
28) C	74) C	120) C	166) D
29) B	75) A	121) A	167) B
30) D	76) A	122) B	168) D
31) A	77) A	123) B	169) D
32) A	78) C	124) D	170) B
33) A	79) A	125) B	171) B
34) C	80) B	126) C	172) C
35) C	81) C	127) B	173) C
36) D	82) C	128) C	174) C
37) D	83) D	129) C	175) C
38) B	84) C	130) B	176) C
39) D	85) C	131) C	177) F
40) C	86) D	132) A	178) G
41) A	87) B	133) B	179) B
42) A	88) B	134) D	180) B
43) B	89) C	135) C	181) C
44) B	90) B	136) A	182) D
45) D	91) B	137) D	183) A
46) H	92) B	138) B	184) B 185) C