



101

**Practice Questions &
Answer Key:**

**Florida - Sales
Real Estate License Exam**



Congratulations! You've discovered the best in real estate preparation. Realty School 101's mission is to raise standards for the real estate industry; Your journey to success begins right here.

There's no perfect formula for ensuring that anyone will pass the Florida Real Estate License Exam on the first try, although *it is possible*. Realty School 101's research & development team determined that diagnostic tests help you to build confidence and determine a study plan that is more focused and fine-tuned to your individual learning needs so that you have a much better chance of passing your exam. Realty School 101 understands how important it is for you to decide to take on the endeavor of launching your real estate career and our team is here to hold your hand every step along the way.

It is recommended that you print this 101 question practice exam.

Your objective is to achieve a minimum score of 75%.

This means that you will need to answer at least 76 out of 101 questions correctly.

Side note: If you discover any potential mistakes or outdated information in our materials, or have suggestions for improvement, please email us at info@realtyschool101.com.



1. David receives \$37,575 in proceeds from the sale of his home. His mortgage balance was \$150,000. He paid a commission of 6% and his closing costs were 2.5%. What was the sales price of David's home?
 - a. \$55,000
 - b. \$205,000
 - c. \$37,575
 - d. \$370,575
2. A commercial building is currently for rent at \$8/sqft with corresponding index of 1.5. The next year the index increases to 1.9. If the rent is tied to the index, then what is the rent per square foot?
 - a. \$13.5
 - b. \$14.5
 - c. \$13.4
 - d. \$11.4
3. An appraisal was completed on a 5-bedroom subject property with an outdoor kitchen. Typically, an outdoor kitchen adds \$10,000 value to a property in your city. A bedroom is worth \$8,000. The following comparable sales are consistent with the subject property:
 - i. 5 bedroom home, no outdoor kitchen, sold for \$155,000
 - ii. 4 bedroom home, no outdoor kitchen sold for \$146,000
 - iii. 3 bedroom home with an outdoor kitchen, sold \$151,000Based on the information above, what is the value of the subject property?
 - a. \$155,000
 - b. \$165,000
 - c. \$170,000
 - d. \$175,000
4. A sales associate working for a broker acquired a listing for \$350,000 at a 6% commission fee. Another sales associate who works for a different brokerage office found the buyer for the property. Both brokers agree to a 50/50 split for the commission. The property sold for the asking price and the listing broker kept 55% of the commission received. How much did the listing office sales associate receive?
 - a. \$4,725
 - b. \$5,725
 - c. \$5,775
 - d. \$4,275
5. Based on the following weights to three adjusted sales prices assigned by an appraiser, what is the reconciled estimated market value of the subject property?:
 - i. Comp 1: \$330,500 45% weight
 - ii. Comp 2: \$322,900 30% weight
 - iii. Comp 3: \$314,500 25% weight

- a. \$322,633
 - b. \$324,220
 - c. \$324,565
 - d. \$330,500
6. A comparable property sold a year ago for \$100,000. Today its value would have been 8% more. The appraiser would:
- a. Adjust the subject price upward by \$8,000
 - b. Adjust the comparable price upward by \$8,000
 - c. Adjust the subject price downward by \$8,000
 - d. Adjust the comparable price downward by \$8,000
7. What is the monthly gross rent multiplier for a house that sold for \$42,900 and is encumbered by a \$34,320 mortgage and the rent is \$390 per month?
- a. 88
 - b. 110
 - c. 120
 - d. 150
8. A residential zoning category requires a minimum of 9,000 square feet per lot. The developer is reserving 30% of the land to streets, sidewalks, and a community center. The tract of land for development consists of 120 acres. How many residential lots are available for development?
- a. 284
 - b. 339
 - c. 401
 - d. 406
9. The city is repaving the streets in a neighborhood. The city will assume 35% of the expense. The city has approved a bid to pave the streets at a cost of \$42 per linear foot. How much is the special assessment for a lot that measures 115 feet by 120 feet?
- a. \$1,569.75
 - b. \$1,638.00
 - c. \$3,139.50
 - d. \$3,276.00
10. A homesteaded property in Florida has an 8.8 mill rate. The county tax rate is 9.2 mills and the school district tax is 6.5 mills. A window homeowner has qualified for homestead exemption. The home has been assessed at \$183,500. What will the homeowner pay in property taxes?
- a. \$2,403.00
 - b. \$2,844.00
 - c. \$3,258.50
 - d. \$3,421.00

11. The possession of a current, valid real estate license will be considered by a court
 - a. As certification by the Commission that the license is in good standing
 - b. As undeniable proof that the licensee may perform real estate services
 - c. To have no effect whatsoever
 - d. To be sufficient evidence to prove the license status unless stronger evidence to the contrary is introduced
12. When a licensee completes the broker license exam and completes all other requirements yet decides to continue operations under an broker or brokerage will be registered as a:
 - a. Broker
 - b. Sales associate
 - c. Broker Associate
 - d. Real Estate Broker
13. A sales associate completes an offer to purchase residential property as the representative to the buyer and submits it to the seller. The seller agrees to the terms and the earnest money deposit is in the broker's escrow account. The broker terminates the arrangement with the sales associate and the sales associate is no longer actively employed during the closing. The sales associate should:
 - a. Sue the seller for his share of the commission earned
 - b. Sue the broker
 - c. Forget it. There is no chance he would be entitled to the commission
 - d. Notify the state.
14. Listing Broker Harry receives an offer from a prospective buyer who refuses to provide a binder deposit. Harry should:
 - a. Present the offer if it is for the asking price
 - b. Present the offer only if the buyer agrees to submit a binder upon acceptance
 - c. Present the offer with a suggestion that the owner respond with a counteroffer for a binder
 - d. Refuse to submit the offer until it's accompanied by valuable consideration.
15. Sales associate Betty receives a binder check made out to her from a buyer. Betty should:
 - a. Hold the check in the file until the broker returns and give it to the broker
 - b. Endorse the check and deposit it in the broker's business account
 - c. Endorse the check and give it to the broker within one business day
 - d. Deposit the check in her personal account, then write her personal check to the broker
16. The Florida Real Estate Commission is composed of:
 - a. Seven members
 - b. Five brokers, two brokers or sales associates, and two lay members
 - c. Five brokers and two lay members
 - d. Seven brokers and three lay members

17. What is the maximum period of time that a license may be suspended?
- 12 months
 - 24 months
 - 36 months
 - 10 years
18. The passage of rules require
- A unanimous vote by all Commission members
 - The decision of the Chairman
 - A quorum vote of the Commission
 - The vote of all members of the Commission
19. Gareth is a Broker and accepts a \$5,000 deposit made out to his firm. What is his legal requirement?
- He must place it in his personal account immediately
 - He must place it in his business account no later than the end of the next business day
 - He must hold it until acceptance of the offer, then deposit it immediately
 - He must place it in his trust account within three business days
20. Broker Johanna decides to move her branch office from Clearwater to St. Petersburg. The proper procedure is for Johanna to
- Cancel the current branch license
 - Cancel the existing license for the branch, submit a request and new fee for the St. Petersburg branch office
 - Wait until the next time to renew the branch office license
 - Submit a special request to FREC to transfer the license to a new location
21. A sales associate does not renew her license at the appropriate time. Her license will be
- Canceled
 - involuntary inactive
 - Suspended
 - Voided
22. Florida license law provides that the license period is
- 12 months
 - 24 months
 - 36 months
 - 4 years
23. Which of the following most accurately describes a broker and principal relationship in an exclusive right of sale agreement?
- Confidentiality until the listing agreement expires or terminates
 - Limited duties
 - Fiduciary duties

- d. Caveat emptor
24. Who is allowed to receive compensation directly from an owner?
- a. An active, licensed broker
 - b. A sales associate, if licensed with a broker or brokerage corporation
 - c. A broker associate, if licensed with a broker or brokerage corporation
 - d. All of the above
25. A group license is
- a. Issued to brokers for each branch office
 - b. Issued to sales associates or broker associates who work for several entities with a common ownership or control by the same individual or individuals in order to sell for all the entities owned by the owner/developer
 - c. Issued to sales associates who work for several employers
 - d. Issued only to brokers
26. How long must a broker retain brokerage relationships disclosures?
- a. One year
 - b. Two years
 - c. Three years
 - d. Five years
27. A Miami Beach real estate broker is the property manager for 8 residential condos that each rent for \$4,000 per month. He also manages several other properties for \$10,000 per month. The broker advertises the lower priced properties (none are presently available) and typically secures tenants for the more expensive rental properties. Which answer is most correct?
- a. The broker is guilty of fraudulent and misleading advertising
 - b. The broker has acted in good faith and is not in any violation of Florida law
 - c. If all the customers were happy with the Broker's services, then there is no problems
 - d. The broker is guilty of commingling funds
28. Christine forms a limited liability partnership in order to develop and resell properties in Miami with Corinne. The partners agree that Christine will be the general partner. Corinne invests \$200,000 and buys 10 units of real property as a limited partner. Christine defrauds several buyers resulting in judgments in excess of \$500,000. The partnership funds are completed expended. Which is the most accurate statement?
- a. Christine and Corinne are both equally liable for the same amount.
 - b. Corinne is jointly and severally liable as a partner.
 - c. Christine is not liable because of the limited partnership status.
 - d. Christine is solely liable for the unpaid judgments, whereas Corinne is not.
29. A California attorney and a Florida broker decide to form a joint venture to sell real property in Florida for a friend of the California lawyer. What can the California lawyer receive?
- a. No part of the real estate commission

- b. A commission if he or she actually performs services in the transaction
 - c. A commission as long as he comes to Florida at some point during the transaction
 - d. A referral fee even if he doesn't come to Florida
30. A Tallahassee real estate sales associate, Jessica, sells commercial property exclusively. Which is correct about her brokerage relationships?
- a. Jessica may have "no official brokerage relationship" status, may be a single agent or may be a transaction broker
 - b. Jessica's broker may assigned her to be the designated sales agent for one of the parties in the transaction and another person in the firm to be the designated sales agent for the other party in the transaction.
 - c. Jessica must provide the Notice of Nonrepresentation upon first contact with any possible buyer and/or sellers along with a Notice of Possible Future Representation
 - d. A and B are both correct.
31. Choose the most correct statement:
- a. All brokers have sales associates
 - b. All brokers are Realtors®
 - c. All Realtors® are members of the National Association of Realtors®
 - d. All Realtors® are brokers
32. Which of the following notices shown below must be signed by a buyer or a seller in a real estate transaction?
- a. Notice of Non-Representation
 - b. Consent to Transition to Transaction Broker Notice
 - c. Single Agent Notice
 - d. Transaction Broker Notice
33. Bob and Jason are brokers each with their own real estate brokerages who share the same office space. No signs are present to indicate that the public is dealing with two separate brokerages. An investigator from the DBPR conducts a routine office inspection and would likely issue a citation stating that this is a(n):
- a. General partnership
 - b. Limited partnership
 - c. Ostensible partnership
 - d. Fraudulent partnership
34. A licensed sales associate of a Florida brokerage corporation may
- a. Be a director of the brokerage corporation
 - b. Be an officer of that brokerage corporation
 - c. Be a stock owner in that brokerage corporation
 - d. None of the above can occur

35. Which real estate brokerage relationship status requires that a broker provide disclosure of known facts that materially affect the value of residential property?
- Single agents
 - Transaction brokers
 - Licensees with no official brokerage relationships
 - Any status requires the disclosure
36. When an owner of a property gives permission to use that property and that permission may be withdrawn at will is known as
- A deed restriction
 - An encroachment
 - A license
 - An easement appurtenant
37. Together Marc, Logan, and Hans were co-owners of a parcel of real property. When Hans passed away the executor of his will read that his ownership would become a part of his estate. Given this information, the parties must've owned the property together as
- Joint tenants
 - Tenants at will
 - Tenants in common
 - Tenants by the entirety
38. A rental agreement sets the terms of a
- Fixed-term tenancy
 - Periodic tenancy
 - Tenancy at sufferance
 - Tenancy at will
39. A fixture is
- Real estate which has been condemned
 - Personal property which is no longer associate with real estate
 - Real estate which has been abandoned
 - Personal property which has become permanently attached to real estate
40. Real estate is characterized as
- Immovable
 - Movable
 - Personal
 - All of the above
41. Which is NOT required on a contract?
- Execution and two witnesses
 - Legal object
 - Offer and acceptance
 - Both parties competent

42. The title to real property is passed to the grantee when the deed is
- Acknowledged
 - Recorded
 - Signed and witnessed
 - Delivered and accepted
43. In a foreclosure situation, if an owner arrives before the foreclosure and submits payment for the entire debt due plus any court costs, legal fees and interest incurred on the property, the right she is exercising is known as
- Right of estoppel
 - Right of caveat emptor
 - Right of dedication
 - Right of redemption
44. Which of the following acts as an insurance agency?
- FHA
 - VA
 - Freddie Mac
 - Fannie Mae
45. A deed must be _____ in order to be valid.
- Signed and witnessed
 - Signed and recorded
 - Signed and acknowledged
 - All of the above
46. During a fixed payment mortgage, which of the following occurs?
- Principal portion decreases and interest rates change each year
 - Principal and interest both remain the same
 - Interest portion of each payment increases
 - Interest portion of each payment decreases
47. Which of the following is an accurate example of economic obsolescence?
- Carpet instead of hardwood floors
 - Landfill nearby
 - Leaking water feature in the backyard
 - Leaking roof
48. A lower capitalization rate means the value is
- Also less
 - Increases exponentially
 - Increases proportionately
 - Stable
49. Once an appraiser has considered all three approaches to determining a properties, value, what is the final step?

- a. Multiple each and divided by three
 - b. Reconciliation
 - c. Depreciation
 - d. Rehabilitation
50. Which of the following most accurately defines redlining
- a. Convincing property owners to sell their homes by promoting fear that a change in demographics will occur in the near future
 - b. Drawing a red line on the front door of a property for good luck
 - c. Defining specific neighborhoods or regions to be considered more or less desirable to provide mortgage funds
 - d. Farming areas that tend to have higher values
51. Net operating income is computed by subtracting _____ from the total income generated by a property
- a. Operating expenses
 - b. Vacancy rate
 - c. Parking fees
 - d. Laundry machine
52. Based on the Fair Housing Act of 1968 the following is prohibited
- a. Discrimination based on age
 - b. Discrimination based on religion
 - c. Discrimination based on behavior
 - d. All of the above
53. Local planning commissions typically consist of the following
- a. Bank representatives
 - b. Real estate commissioners
 - c. Lay members representing a cross section of the community
 - d. Utility company professionals and school board directors
54. Which of the following is correct regarding Regulation Z?
- a. Pertinent information like down payment and APR is disclosed
 - b. Approximate costs of settlement must be indicated in advertisements
 - c. FNMA and Freddie Mac do not regard Regulation Z
 - d. All of the above
55. Records of an agent's transactions on behalf of a buyer during need to be retained by
- a. The buyer
 - b. The buyer's broker
 - c. The seller's agent
 - d. The seller
56. How much are doc stamps on a Deed?
- a. 50 cents per \$100

- b. 70 cents per \$100
 - c. 40 cents per \$100
 - d. 90 cents per \$100
57. How much are doc stamps on a note?
- a. 25 cents per \$100
 - b. 27 cents per \$100
 - c. 35 cents per \$100
 - d. 50 cents per \$100
58. When a broker receives a commission for selling a property even though she did not sell it, she would likely have which type of agreement with the owner?
- a. No broker relationship
 - b. Transaction broker
 - c. Exclusive agency
 - d. Exclusive right of sale
59. The Florida Real Estate Commission (FREC) has how many consumer members?
- a. 1
 - b. 2
 - c. 3
 - d. 4
60. Florida law requires real estate appraisers to abide by
- a. BPO
 - b. USPAP
 - c. NAR
 - d. ALTA
61. What does the local planning board require real estate developers to submit?
- a. Land permit
 - b. Subdivision plat map
 - c. Inspection results
 - d. Letter of intent
62. Johnny and Tom want to develop a house in an already developed subdivision and must match a specific architectural design in order to comply with the _____.
- a. Restrictive covenants
 - b. Dedications
 - c. Liens
 - d. Deed restrictions
63. How many credit hours are required for the Florida Sales Associate post licensing course?
- a. 30 hours
 - b. 40 hours
 - c. 45 hours

- d. 63 hours
64. Walter has a 4-year real estate degree. Which of the following courses is he not exempt from?
- a. Post-License course for Florida Brokers
 - b. Continuing Education for Florida Real Estate Professionals
 - c. Pre-license course for Florida Sales Associates
 - d. Pre-License course for Florida Brokers
65. When a real estate brokers license is suspended, the affiliated licenses become _____.
- a. Suspended
 - b. Voluntary inactive
 - c. Involuntary inactive
 - d. Null and void
66. Which type of activity does not require a real estate license?
- a. Showing rental properties
 - b. Auctioning residential properties
 - c. Receiving a salary and commission from a brokerage
 - d. Selling cemetery plots
67. Fiduciary duties are typically aligned with which type of agency?
- a. Dual agency
 - b. No broker relationship
 - c. Single agency
 - d. Transaction broker
68. Which of the following best describes a transaction broker?
- a. Fiduciary duties apply
 - b. Principal relationship
 - c. Single Agency
 - d. Limited representation
69. When do you present a No Brokerage Relationship disclosure?
- a. During the showing of property
 - b. At the closing
 - c. Before the showing of property
 - d. After the showing of property
70. If Broker Henry wants to transition from a Single Agency to a Transaction broker relationship, which is correct?
- a. It is never permissible to do this
 - b. He must get written permission from his principal
 - c. He must give 24 hour notice and have a witnessed affidavit
 - d. He doesn't need to tell his principal
71. How many acres are there in a single square mile?

- a. 190 acres
 - b. 120 acres
 - c. 360 acres
 - d. 640 acres
72. Joe is selling his home that was built in 1965. Which disclosure is required?
- a. Hazard insurance carrier
 - b. Lead-based paint
 - c. Homeowners insurance
 - d. Earthquake risk
73. Which lien has top priority of the other liens?
- a. Property tax lien
 - b. Vendor lien
 - c. Contractor lien
 - d. Mechanic lien
74. Which of the following buys, sells and/or exchanges existing mortgages?
- a. Treasury market
 - b. Federal market
 - c. Primary market
 - d. Secondary market
75. How many square feet are in an acre?
- a. 640
 - b. 680
 - c. 43,560
 - d. 100
76. Tenancy by the entireties convey title at the same time and must also be
- a. Tenants in common
 - b. Married
 - c. Separate interest
 - d. Unequal title
77. Which of the following requires financial institutions to make credit available without racial discrimination?
- a. RESPA
 - b. Truth in Lending Act
 - c. Equal Credit Opportunity Act
 - d. TILA-RESPA
78. Regulation Z requires lenders to disclose the APR in compliance with _____.
- a. The Truth in Lending Act
 - b. The Civil Rights Act of 1866
 - c. RESPA

- d. TILA-RESPA
79. Which of the following describes the Acceleration Clause?
- Authorizes the mortgagee to accelerate the due date of the entire unpaid balance
 - Authorizes the mortgagee to acceleration a prepayment with an interest penalty
 - Allows the mortgagor to accelerate another loan to purchase real estate
 - Authorizes the mortgagor to utilize the equity in the home to buy furniture
80. Which of the following describes the ad valorem property tax disclosure?
- Tax exemption based on region
 - The buyer is not to rely on the present amount of the current owners property taxes as it may change in the future.
 - Property taxes are optional
 - Seller is not responsible for any property tax during the year preceding the sale
81. In a non-residential transaction a buyer and seller each have over \$1M in assets. Which of the following can the employing broker do?
- Complete a No Broker Relationship disclosure
 - Contact FREC for advice
 - Assign designated sales associates for the buyer and seller
 - Sign a waiver of responsibility
82. How many hours are required for the Florida Real Estate Sales Associate Pre-License course?
- 72
 - 60
 - 63
 - 45
83. Which statement is TRUE regarding a sales associate who relocates to a different brokerage firm?
- The fiduciary relationship between the sales associate and the former brokerage ended once the sales associate found a new brokerage.
 - The sale associate may contact clients of the former brokerage and have them resigned contracts with the sales associate's new brokerage.
 - The sales associate has a duty of trust and confidence with the former brokerage that prevents the associate from disclosing confidential information learned during the previous employment.
 - The sales associate must secure at least one new listing contract while working for new brokerage and return to the previous brokerage immediately.
84. The statute of frauds does NOT apply to which document?
- Mortgage
 - Deed
 - 200-day listing contract

- d. 1-year lease agreement
85. Which type of deed would most likely be used to clear a cloud or defect on title to real property?
- a. Private deed
 - b. General warranty deed
 - c. Quitclaim deed
 - d. Zoning deed
86. A person on active military duty with the U.S. Army has how long post discharge from active duty to renew her real estate license?
- a. 24 months
 - b. 12 months
 - c. 90 days
 - d. 60 days
87. Which type of property would be considered exempt from property taxes?
- a. County courthouse
 - b. Public school
 - c. Military base
 - d. Church
88. Which of the following statements is TRUE regarding amortized mortgages?
- a. The amount applied to interest increases each month
 - b. The amount applied to interest remains constant each month
 - c. The amount applied to interest decreases each month
 - d. The amount applied to principal decreases each month
89. Which mortgage clause prevents a purchaser from assuming an existing mortgage loan?
- a. Prepayment penalty
 - b. Right to reinstate
 - c. Due-on-sale
 - d. Acceleration
90. Right of survivorship is contained in which of the following?
- a. In common
 - b. Joint tenancy
 - c. At sufferance
 - d. At will
91. Which action associated with water rights will cause a decrease in land mass?
- a. Alluvion
 - b. Reliction
 - c. Erosion
 - d. Accretion
92. Which legal instrument is used to give constructive notice of pending legal action?

- a. Estoppel
 - b. Novation
 - c. Lis pendens
 - d. Declaration
93. The right of the state to take property of a person who died intestate is called
- a. Dower
 - b. Police power
 - c. Eminent domain
 - d. Escheat
94. Which type of listing allows the seller to list with multiple brokers?
- a. Net
 - b. Exclusive right-of-sale
 - c. Open
 - d. Closed
95. Which activity may NOT be performed by an unlicensed personal assistant?
- a. Negotiate a purchase agreement
 - b. Research property information
 - c. Distribute marketing materials
 - d. Make coffee for the brokerage office every day
96. Which type of alienation is voluntary?
- a. Escheat
 - b. Adverse possession
 - c. Eminent domain
 - d. Will
97. The term Realtor is best used to mean
- a. Real estate professionals who hold a valid, active real estate license
 - b. Real estate professionals who have extensive real estate experience
 - c. Real estate professional who are members of the local Board of Realtors®
 - d. Real estate professionals who have a current real estate license that does not need to be active.
98. What essential element is necessary for a contract to be considered valid?
- a. Signatures of two witnesses
 - b. Offer and acceptance
 - c. Notarization
 - d. Termination clause
99. Which person is exempt from real estate licensing?
- a. Person who works on commission basis as a leasing agent
 - b. Person who sells new homes on a transaction basis
 - c. Person who is appointed by a court order to liquidate an estate

- d. Person who is selling mobile homes
100. Which violation of real estate law is considered a third degree felony?
- a. Commingling funds
 - b. Falsifying a DBPR license application
 - c. Collecting a fee for rental information
 - d. Failing to post employee rights notice in office
101. What is the statute of limitations for written contracts?
- a. One year
 - b. Two years
 - c. Four months
 - d. Five years