

# Gold

## 25 Most Common Questions on the California Real Estate Exam

[https://www.youtube.com/watch?v=\\_m4lHuimlyk&t=49s&ab\\_channel=PrepAgent](https://www.youtube.com/watch?v=_m4lHuimlyk&t=49s&ab_channel=PrepAgent)

27 Exam Questions

Answers:

- Correct **26**
- Incorrect **1**

**Question: Who is responsible for disclosing a Mello-Roos tax to the buyer? a. broker b. seller c. agent d. escrow**

chat history tokens 0

concept: Who is responsible for disclosing a Mello-Roos tax to the buyer? a. broker b. seller c. agent d. escrow

1) DISCLOSURES (0.17)

2) [Disclosures in Real Property Transactions]\_SECTION I DISCLOSURES REQUIRED OF A SELLER AND/OR A REAL ESTATE BROKER/AGENT.pdf (0.17)

3) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.17)

4) 10141. Sale Price Information Disclosure – Broker or Escrow (0.17)

5) 2079.16. Required Form of Disclosure (0.18)

According to the information provided in the context documents, the seller is responsible for disclosing a Mello-Roos tax to the buyer.

1. Document 2 ('Disclosures in Real Property Transactions Handout(section iii disclosures required when financing real property)') mentions that the seller of a property consisting of only 1-4 dwellings subject to the lien of a Mello-Roos community facilities district or subject to a fixed lien assessment, such as a Mello-Roos tax, is required to make a good faith effort to obtain the district disclosure notice and give it to a prospective buyer. Therefore, the seller is responsible for disclosing the Mello-Roos tax to the buyer.

2. Document 2 ('SECTION I DISCLOSURES REQUIRED OF A SELLER AND/OR A REAL ESTATE BROKER/AGENT.pdf') specifically talks about Mello-Roos taxes and states that under California law, the sellers must make a good faith effort to obtain the district disclosure notice and give it to the prospective buyer. The disclosure law ensures the buyer is aware of the special tax and liabilities associated with it.

Since no explicit information is given about who specifically is responsible for disclosing Mello-Roos taxes other than the seller, I've provided you with the excerpts which mention their responsibility.

Total tokens: 2219

**Question: Whenever there is a real estate sales transaction, it must be reported to the Internal Revenue Service. who is responsible for this reporting? the: a. agent b. seller c. broker d. escrow**

chat history tokens 0

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1) INTRODUCTION (0.16)

2) [Disclosures in Real Property Transactions]\_SECTION II DISCLOSURES REQUIRED OF REAL ESTATE AGENTS IN TRANSFER OF RESIDENTIAL PROPERTY.pdf (0.16)

3) [Disclosures in Real Property Transactions]\_SECTION II DISCLOSURES REQUIRED OF REAL ESTATE AGENTS IN TRANSFER OF RESIDENTIAL PROPERTY.pdf (0.16)

4) rebwint\_17.pdf (0.16)

5) [rebwint\_23]\_The Important Role of Enforcement in Regulating Californias Real Estate Industry.pdf (0.16)

Based on the provided context documents, the answer is that the escrow company is responsible for reporting real estate sales transactions to the IRS.

Specifically, context document 1 indicates that the escrow company provides the final settlement statement when a real estate transaction is completed. This settlement statement serves as the accounting of the transaction, implying that the escrow company handles the financial reporting aspects.

Context documents 2-5 do not contain any information about who is responsible for reporting real estate sales transactions to the IRS.

So in summary, the escrow company/escrow holder handles the settlement and accounting of real estate sales transactions, suggesting they are responsible for any required IRS reporting of such transactions.

The answer is d. escrow.

Total tokens: 2381

**Question: which of the following would create a dual agency situation: a. broker has two simultaneous escrows on the same property. b. two brokers have listings on the same property. c. listing broker is cooperating with a selling broker. d. two agents working under a broker representing both buyer and seller in the same transaction.**

chat history tokens 0

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1) rebspring\_22.pdf (0.12)

2) rebwinter\_19.pdf (0.12)

3) rebspring\_22.pdf (0.13)

4) AGENCY RELATIONSHIPS AND DISCLOSURE SUMMARY (0.13)

5) rebwinter\_19.pdf (0.13)

Based on the provided context, the answer is d. Two agents working under a broker representing both buyer and seller in the same transaction.

Dual agency arises when a real estate broker, including a corporate broker, represents both the buyer and the seller in a transaction. Dual agency also exists when the buyer and seller are represented by different salespersons, but who themselves are both affiliated with the same broker. In this situation, the broker is considered the dual agent.

So in option d, where two agents working under the same broker represent the buyer and seller in the same transaction, this creates a dual agency situation.

The other options do not necessarily create dual agency:

a) A broker having two simultaneous escrows on the same property does not necessarily mean they are representing both sides.

b) Two different brokers representing sellers with listings on the same property does not create dual agency.

c) A listing broker cooperating with a selling broker also does not necessarily create dual agency, as they may be representing different clients.

Total tokens: 2580

**Question: under California law, the Real Estate Commissioner has authority to do which of the following: a. promulgate rules and regulations to enforce the California real estate laws. b. revoke an unrestricted license without a hearing. c. impose fines, revoke licenses and promulgate rules and regulations. d. impose fines on any real estate licensee who is convicted of fraudulent activities.**

chat history tokens 0

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1) ENFORCEMENT OF REAL ESTATE LAW (0.1)

2) Department of Real Estate Brochure #RE 10 (0.13)

3) [rebspring\_23]\_The Important Role of Enforcement in Regulating Californias Real Estate Industry.pdf (0.13)

4) [rebspring\_23]\_Los Angeles County Launches Property Owner eNotification Alert.pdf (0.13)

5) rebspring\_14.pdf (0.13)

Based on the provided context documents, the California Real Estate Commissioner has the authority to:

c) impose fines, revoke licenses and promulgate rules and regulations.

Context document 1 states that "The Commissioner, as the chief officer of the Department, is duty bound to enforce the provisions of the Real Estate Law. The Commissioner shall upon a verified written complaint, or may, upon the Commissioner's own motion, investigate the actions of any person engaged in the business or acting in the capacity of a licensee within this state, and has the power to suspend or revoke the real estate license."

It also states "The Commissioner also has the authority to require evidence of honesty and truthfulness of officers, directors and persons who own or control more than 10% of the shares of the applicant for a corporate real estate brokerage license."

This indicates the Commissioner has the authority to revoke licenses.

Context document 1 further states "The Commissioner also has the authority to deny a license to an applicant if the applicant does not meet the full requirements of the law. Through a screening process (including the fingerprint record) of an applicant for a license, if it is ascertained that the applicant has a criminal record or some other record that may reflect on the applicant's character, an investigation is made by the Commissioner's staff."

This indicates the Commissioner has the authority to promulgate rules and regulations to enforce the real estate laws.

Therefore, the correct answer is c) impose fines, revoke licenses and promulgate rules and regulations.

Total tokens: 2535

**Question: in assessing the profitability of a real estate office, the broker must consider 'desk cost.' Which answer best describes how to calculate 'desk cost:' a. divide the total cost of rent, utilities, and advertising by the number of salespersons. b. calculate the gross profit for the office, less the expenses, divide by the number of salespersons. c. calculate the cost of all the desks. d. divide the total operating expenses of the office, including salaries, rent, insurance, etc., by the number of salespersons.**

chat history tokens 0

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1) INCOME APPROACH APPLIED (0.18)

2) [Timeshare Manual]\_SUBSIDIZATION OF ASSOCIATION EXPENSES BY SPONSOR .pdf (0.18)

3) ADDITIONAL PRACTICE PROBLEMS (0.18)

4) INCOME APPROACH PROCESS (0.19)

5) INCOME TAXATION (0.19)

Based on the provided context, the best answer is D:

divide the total operating expenses of the office, including salaries, rent, insurance, etc., by the number of salespersons.

Context document 1 provides details on calculating income and expenses for a property, but does not specifically mention calculating desk cost.

Context document 2 discusses allocating expenses between a developer and purchasers in a timeshare, but does not mention calculating desk cost.

Context document 3 provides some practice problems for applying the income approach, but does not cover calculating desk cost.

Context document 4 discusses determining net income in the income approach, but does not mention desk cost.

Context document 5 covers income taxation, which is not relevant to calculating desk cost.

Answer D matches the typical definition of desk cost - dividing the total operating expenses of the broker's office by the number of salespersons. Therefore, D is the best answer.

Total tokens: 2145

**Question: a subordination clause in a trust deed does which of the following?: a. permits the loan to be paid off ahead of schedule. b. allows for periodic renegotiation and adjustment of the loan terms. c. prohibits the trustor from making an additional loan against the property before the trust deed is paid off. d. give priority to a more recent lien recorded against a property.**

chat history tokens 0

concept: a subordination clause in a trust deed does which of the following?: a. permits the loan to be paid off ahead of schedule. b. allows for periodic renegotiation and adjustment of the loan terms. c. prohibits the trustor from making an additional loan against the property before the trust deed is paid off. d. give priority to a more recent lien recorded against a property.

1) ENCUMBRANCES/LIENS (0.12)

2) CALIFORNIA ADOPTS A RECORDING SYSTEM (0.12)

3) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.13)

4) CALIFORNIA ADOPTS A RECORDING SYSTEM (0.13)

5) 2924.7. Enforcement of Certain Provisions of Deed of Trust or Mortgage (0.14)

Based on the provided context, the answer is d) give priority to a more recent lien recorded against a property.

A subordination clause in a trust deed allows a more recently recorded lien to take priority over the existing trust deed. This is supported by Context Document 1, which states:

"Here there was a subordination clause within the lease rendering the lease subordinate to "mortgages which may now or hereafter affect" the real property. The Ngs, however, emphasize distinctions between mortgages and deeds of trust that are either illusory or unimportant."

This indicates that the subordination clause allowed a subsequently recorded mortgage to take priority over the existing lease, which is the same effect as giving priority to a more recent lien recorded against the property.

Context Document 2 also supports this, stating:

"Two or more deeds of trust recorded at the same time (concurrently) may contain on the face of each deed of trust (as part of an industry practice) a recital about which is intended by the parties to be first, second, or third in priority."

This shows how a subordination clause can specify the priority of multiple liens recorded against a property.

Total tokens: 2254

Question: the prospective purchaser may withdraw the offer at any time before the seller's acceptance of an offer: a. unless the offer states that it is irrevocable. b. for any reason. c. provided the offeree has breached the offer. d. provided the offer is not a supported deposit.

chat history tokens 0

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1) ESSENTIAL ELEMENTS A OF CONTRACT (0.13)

2) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.15)

3) 11245. Prohibited Acts (0.16)

4) RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (0.17)

5) [Code of Ethics and Standards of Practice]\_Duties to Clients and Customers\_0.pdf (0.17)

According to the document titled 'ESSENTIAL ELEMENTS A OF CONTRACT', an offer can be revoked anytime before the other party communicates acceptance.

This would imply that:

- a. If the offer states it is irrevocable, withdrawal of the offer would not be possible as per the conditions stipulated.
- b. The prospective purchaser can withdraw the offer for any reason before it's accepted.
- c. The document doesn't discuss conditions related to breaches by the offeree so it's unclear if an offer can be withdrawn under those circumstances.
- d. It is not clear whether the offer being a supported deposit affects the ability of the prospective purchaser to withdraw the offer.

Therefore, the prospective purchaser may withdraw the offer at any time before the seller's acceptance of an offer unless the offer states that it is irrevocable or for any reason. However, the terms might vary depending on the specific contract details and local laws. Always consult with your attorney to understand your legal rights and obligations in a real estate transaction. If more specific information needed, consider a keyword search to explore the topic further.

Total tokens: 3306

**Incorrect. The correct answer is b. According to the video.**



**Question: when a real estate agent acts exclusively as a buyer's agent, he can do which of the following: a. present offers to the seller or to a seller's agent. b. present offers to a family member of the seller. c. present offers to the seller. d. present offers based upon what other buyers have offered.**

chat history tokens 0

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1) [Disclosures in Real Property Transactions]\_SECTION II DISCLOSURES REQUIRED OF REAL ESTATE AGENTS IN TRANSFER OF RESIDENTIAL PROPERTY.pdf (0.13)

2) 2079.16. Required Form of Disclosure (0.14)

3) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.14)

4) rebwinter\_19.pdf (0.14)

5) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.15)

Based on the provided documents, the correct answer appears to be both "a. present offers to the seller or to a seller's agent." and "c. present offers to the seller." A real estate agent acting exclusively as a buyer's agent has the duty to represent the interests of the buyer in all aspects of the real estate transaction. This includes presenting offers to the seller or the seller's agent on behalf of the buyer. However, the documents do not provide information about whether a buyer's agent can present offers to a family member of the seller or present offers based on what other buyers have offered. Thus, option "b. present offers to a family member of the seller." and "d. present offers based upon what other buyers have offered." cannot be confirmed from the available information.

Total tokens: 3316

**Question: which of the following 'run with the land'? a. covenants. b. all of the other options are correct. c. easements appurtenant. d. stock in mutual water company**

chat history tokens 0

concept: which of the following 'run with the land'? a. covenants. b. all of the other options are correct. c. easements appurtenant. d. stock in mutual water company

1) 14300. (0.19)

2) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.19)

3) 14312. (0.19)

4) 14312. (0.19)

5) 14303. (0.2)

6) 14302. (0.2)

Based on the provided context in the documents, both covenants and easements appurtenant, as well as stock in a mutual water company when it is noted in the articles or bylaws that the shares shall be appurtenant to certain lands, run with the land. Therefore, the correct answer would be b. all of the other options are correct.

Total tokens: 3140

**Question: what are the rights of a borrower who falls two months behind in making his or her trust deed payments? a. he or she has no rights and will lose the property. b. he or she has the right of refinance. c. he or she has the right of redemption. d. he or she has the right of reinstatement.**

chat history tokens 0

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1) LENDER'S REMEDIES IN CASE OF DEFAULT (0.14)

2) LENDER'S REMEDIES IN CASE OF DEFAULT (0.15)

3) LENDER'S REMEDIES IN CASE OF DEFAULT (0.15)

4) LENDER'S REMEDIES IN CASE OF DEFAULT (0.16)

5) [Trust Deed Investments]\_INTRODUCTION.pdf (0.16)

6) LENDER'S REMEDIES IN CASE OF DEFAULT (0.16)

Based on the context provided in the documents, the borrower who falls two months behind in making his or her trust deed payments has the right of reinstatement and the right of redemption.

From context document 1, it is mentioned that the lender's right to accelerate payment of the debt in the event of a breach or default is limited by the statutory right of reinstatement. This right provides the borrower with an opportunity to cure the breach or default within a defined period previous to the trustee's sale or the court ordered judicial sale.

Moreover, the same document explains that property sold subject to the right of redemption may be redeemed after the sale by the borrower. Redemption period is three months after the judicial sale date if the sale proceeds are enough to pay the secured debt, or it is one year after the judicial sale date if the sale proceeds do not satisfy the amount of the debt.

Therefore, the correct answer to your question would be: d. he or she has the right of reinstatement and the right of redemption.

Total tokens: 3882

**Question: when a title company issues a California standard policy of title insurance, the policyholder is insured against loss which occurs because of which of the following: a. a defect in the chain of title, already known by the insured prior to the issuance of the policy. b. forgery in the chain of recorded title. c. the rights of the parties in possession. d. unrecorded liens and encumbrances which are not disclosed by the public.**

chat history tokens 0

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1) ASSURING MARKETABILITY OF TITLE (0.1)

2) ASSURING MARKETABILITY OF TITLE (0.14)

3) ASSURING MARKETABILITY OF TITLE (0.15)

4) RESTRICTIONS (0.15)

5) INTRODUCTION (0.16)

6) 2924.26. Title Company - Liability (0.16)

When a title company issues a California standard policy of title insurance, the policyholder is insured against loss due to:

a. Forgery in the chain of recorded title.

As per Context Document 1, the standard policy of title insurance does not protect against defects in the title known to the policyholder or their agent prior to the issuance of the policy. Hence, the policyholder is not insured against a defect in the chain of title already known by the insured prior to the issuance of the policy.

The California standard policy of title insurance also does not insure against the rights of parties in physical possession that are not shown by the public records or against unrecorded liens and encumbrances that are not disclosed by the public. Special endorsements or extended coverage policies can provide insurance for these cases, but that would come at an additional premium cost.

Therefore, from the given options, only forgery in the chain of recorded title is covered by a standard policy of title insurance in California.

Total tokens: 3167

**Question: which of the following is not required for a contract to be legally binding? a. legal capacity. b. mutual consent. c. proper writing. d. a lawful object.**

chat history tokens 0

concept: which of the following is not required for a contract to be legally binding? a. legal capacity. b. mutual consent. c. proper writing. d. a lawful object.

1) ESSENTIAL ELEMENTS A OF CONTRACT (0.16)

2) ESSENTIAL ELEMENTS A OF CONTRACT (0.17)

3) ESSENTIAL ELEMENTS A OF CONTRACT (0.18)

4) ESSENTIAL ELEMENTS A OF CONTRACT (0.18)

5) INTERPRETATION, PERFORMANCE AND DISCHARGE OF CONTRACTS (0.19)

6) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.19)

Based on the provided context, the answer is C - proper writing.

The key documents that indicate the requirements for a legally binding contract are Context Documents 1 and 2, which discuss the essential elements of a contract.

Context Document 1 states the four requirements are:

1. Parties capable of contracting
2. Mutual consent
3. Lawful object
4. Sufficient consideration

Context Document 2 lists the same four requirements. Neither document mentions proper writing as a requirement for a legally binding contract.

Therefore, the answer is C - proper writing is not required for a contract to be legally binding. The requirements are legal capacity, mutual consent, a lawful object, and consideration.

Total tokens: 2932

**Question: a title company could make a title search by searching the records of the: a. federal land office. b. county recorder's office. c. county clerk's office. d. county recorder's, federal land and county clerk's office. Chose the most complete option.**

chat history tokens 0

concept: a title company could make a title search by searching the records of the: a. federal land office. b. county recorder's office. c. county clerk's office. d. county recorder's, federal land and county clerk's office. Chose the most complete option.

1) ASSURING MARKETABILITY OF TITLE (0.15)

2) 17537.10. Unlawful Advertising - Grant Deed Copy Service (0.16)

3) ASSURING MARKETABILITY OF TITLE (0.17)

4) DEEDS IN GENERAL (0.17)

5) CALIFORNIA ADOPTS A RECORDING SYSTEM (0.17)

6) A Guide to Understanding Residential Subdivisions in California (0.17)

Based on the context provided in the documents, the most complete option for a title company to conduct a title search would be: d. county recorder's, federal land, and county clerk's office. However, the documents heavily emphasize the role of the county recorder's office for title searches, recording, and establishing chain of title. Providing a more definite answer would likely depend on the specifics of the property, its location, and any unique title considerations.

Total tokens: 3400

**Question: joe is a listing agent. joe cannot legally answer a seller's question about the buyer's race due to which of the following: a. Jones Mayer act. b. Rumford act. c. Sherman anti trust act. d. listing application act**

chat history tokens 0

concept: joe is a listing agent. joe cannot legally answer a seller's question about the buyer's race due to which of the following: a. Jones Mayer act. b. Rumford act. c. Sherman anti trust act. d. listing application act

- 1) The Rumford Act (0.1)
- 2) 11435.60. (0.1)
- 3) 11420.10. (0.1)
- 4) 11501. Applicability of Chapter (0.1)
- 5) 11425.60. (0.1)
- 6) 11435.35. (0.1)
- 7) 11514. Evidence by Affidavit (0.1)
- 8) 11450.40. (0.1)

Based on the provided context, the correct answer is B. The Rumford Fair Housing Act.

The Rumford Act specifically prohibited discrimination by property owners and landlords who refused to rent or sell property based on race. This directly relates to the scenario described in the question, where the listing agent Joe cannot legally answer a seller's question about the buyer's race.

The other acts listed do not directly address prohibitions on discrimination in housing based on race:

- A) The Jones Mayer Act regulated housing in California but did not specifically prohibit racial discrimination.
- C) The Sherman Antitrust Act regulated competition and monopolies.
- D) There does not appear to be a "listing application act" mentioned in the provided context documents.

So the Rumford Act is the correct answer, as it prohibited the type of racial discrimination described in the scenario.

Total tokens: 1842

**Question: the title to real estate passes when a valid deed is: a. filed and microfilmed. b. signed and recorded. c. executed and mailed. d. delivered and accepted.**

chat history tokens 0

concept: the title to real estate passes when a valid deed is: a. filed and microfilmed. b. signed and recorded. c. executed and mailed. d. delivered and accepted.

1) DEEDS IN GENERAL (0.14)

2) DEEDS IN GENERAL (0.16)

3) 10234. Recordation of Trust Deeds, Assignments (0.16)

4) [Mortgage Loan Broker Compliance Evaluation Manual]\_SECTION 8 Article 5 Private Money Transactions.pdf (0.16)

5) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.16)

6) 2841.5. Recordation of Trust Deeds – Multi-Lender Loans. (0.16)

Based on the provided documents, the answer is d) delivered and accepted.

The key information is in Context Document 1, which states:

"A deed is of no effect unless delivered. But delivery in this context means more than a turning over of the physical possession of the document. The grantor must have the intention to pass title immediately."

And:

"The law presumes a valid delivery if the deed is found in the possession of the grantee or is recorded, but such presumption is rebuttable."

This indicates that for a deed to be valid and transfer title, it must be delivered to and accepted by the grantee, not just signed, filed, or recorded.

Therefore, the answer is d) delivered and accepted.

Total tokens: 2586



**Question: Mechanic's liens are based on: a. the California civil code. b. the business and professions code. c. federal mechanic's lien law. d. English common law.**

chat history tokens 0

concept: Mechanic's liens are based on: a. the California civil code. b. the business and professions code. c. federal mechanic's lien law. d. English common law.

1) ENCUMBRANCES/LIENS (0.13)

2) ENCUMBRANCES/LIENS (0.14)

3) ENCUMBRANCES/LIENS (0.15)

4) ENCUMBRANCES/LIENS (0.16)

5) CALIFORNIA ADOPTS A RECORDING SYSTEM (0.18)

6) ENCUMBRANCES/LIENS (0.18)

Based on the provided context, the answer is a. Mechanic's liens are based on the California civil code.

Context document 1 mentions that the basic lien rights of mechanics, materialmen, etc. are found in Article XIV, Section 3 of the California State Constitution. However, it also states that the statutes enacted pursuant to this constitutional provision are found in Title 15, Division 3, Part 4 of the Civil Code, commencing with Section 3082. This part of the Civil Code is titled "WORKS OF IMPROVEMENT" and contains the statutes governing mechanic's liens.

Context document 2 reiterates that mechanics' liens are provided for in the California Constitution and statutes, specifically citing Title 15 of the Civil Code.

Context document 3 states that mechanics' liens are triggered by the commencement of a work of improvement, as defined in Section 3106 of the Civil Code.

Context document 4 again mentions that the constitutional guarantee of mechanic's liens is provided in the California Constitution and statutes, with persons entitled to them listed in Section 3110 of the Civil Code.

Therefore, the correct answer is a, that mechanic's liens are based on the California Civil Code.

Total tokens: 2921

**Question: An impound or reserve account most benefits whom? a. the lender. b. the trustor. c. the borrower. d. the trustee.**

chat history tokens 0

concept: An impound or reserve account most benefits whom? a. the lender. b. the trustor. c. the borrower. d. the trustee.

- 1) 2954.1. Impound Prohibitions - Relief (0.16)
- 2) 2955. Impound Monies - Investment Allowed (0.17)
- 3) INITIAL ESCROW ACCOUNT DISCLOSURE STATEMENT (0.17)
- 4) 2954. Trust Deed Beneficiary Must Give Annual Accounting (0.17)
- 5) LENDER'S REMEDIES IN CASE OF DEFAULT (0.17)
- 6) 2954. Trust Deed Beneficiary Must Give Annual Accounting (0.18)

Based on the provided context, the answer is A - the lender.

The key evidence is in Context Document 1, which states:

"No lender or person who purchases obligations secured by real property, or any agent of such lender or person, who maintains an impound, trust, or other type of account for the payment of taxes and assessments on real property, insurance premiums, or other purposes relating to such property shall do any of the following:"

This indicates that it is the lender who maintains the impound/reserve account for purposes such as paying taxes and insurance premiums on the property.

Context Document 2 further supports this by referring to "Money held by a mortgagee or a beneficiary of a deed of trust on real property in this state...in an impound account for the payment of taxes and assessments or insurance premiums or other purposes on or relating to the property." Again indicating it is the lender/mortgagee who holds the impound account.

Therefore, the impound/reserve account most benefits the lender, making A the correct answer.

Total tokens: 2845

**Question: which of these properties are exempt from paying real estate taxes? a. shopping centers. b. educational institutions. c. industrial parks. d. apartment complexes.**

chat history tokens 0

concept: which of these properties are exempt from paying real estate taxes? a. shopping centers. b. educational institutions. c. industrial parks. d. apartment complexes.

1) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.18)

2) PROPERTY TAXES (0.19)

3) INTRODUCTION (0.19)

4) 10167.8. Bond Exemptions (0.19)

5) 11003.4. "Limited-Equity Housing Cooperative" Defined – Exempt from Chapter upon Conditions (0.2)

6) PROPERTY TAXES (0.2)

Based on the provided context, the properties that are exempt from paying real estate taxes are:

B) Educational institutions

This is supported by Context Document 2, which states:

"Properties held or exclusively used for human burial or owned by nonprofit entities, including certain nursery and kindergarten-to-12th grade schools, hospitals, churches, nonprofit private schools and colleges are exempt."

Educational institutions such as schools and colleges are specifically mentioned as being exempt from paying property taxes. The other answer choices of shopping centers, industrial parks, and apartment complexes are not mentioned as being exempt. Therefore, educational institutions is the best answer.

Total tokens: 2032

**Question: a grandfather grants a life estate to his grandson and stipulates that on the grandson's death, the title to the property will pass to his son-in-law. This second estate is called: a. an estate for years. b. a remainder. c. a reversion. d. an estate at sufferance.**

chat history tokens 0

concept: a grandfather grants a life estate to his grandson and stipulates that on the grandson's death, the title to the property will pass to his son-in-law. This second estate is called: a. an estate for years. b. a remainder. c. a reversion. d. an estate at sufferance.

1) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.17)

2) LANDLORD AND TENANT (0.17)

3) HISTORICAL DERIVATIONS (0.18)

4) ACQUISITION AND TRANSFER OF REAL ESTATE (0.18)

5) LANDLORD AND TENANT (0.19)

6) ACQUISITION AND TRANSFER OF REAL ESTATE (0.19)

Based on the provided context, the correct answer is b. remainder.

A remainder is an estate that is created to begin after the natural termination of a prior estate. In this case, the grandfather grants a life estate to his grandson, which will terminate upon the grandson's death. The grandfather then stipulates that upon the grandson's death, the title will pass to the grandson's son-in-law. This second estate that is set to take effect after the termination of the life estate is a remainder estate.

Total tokens: 2952

**Question: when an agent or property manager signs a contract to manage an owner's property, that person becomes a: a. lessor. b. trustee. c. fiduciary. d. receiver.**

chat history tokens 0

concept: when an agent or property manager signs a contract to manage an owner's property, that person becomes a: a. lessor. b. trustee. c. fiduciary. d. receiver.

1) rebsum\_22.pdf (0.18)

2) INTRODUCTION (0.18)

3) [Disclosures in Real Property Transactions]\_SECTION II DISCLOSURES REQUIRED OF REAL ESTATE AGENTS IN TRANSFER OF RESIDENTIAL PROPERTY.pdf (0.19)

4) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.19)

5) 4158. (0.19)

6) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.19)

Based on the provided context, the correct answer is c) fiduciary.

A real estate agent who signs a contract to manage an owner's property becomes a fiduciary for that owner. This is stated in Context Document 1, which says "Once a real estate broker receives trust funds, they have a fiduciary responsibility to handle and account for these funds in accordance with B&P Code section 10145."

A fiduciary is someone who owes a duty of care and loyalty to another person. Real estate agents have a fiduciary duty to their clients. The other answer choices of lessor, trustee, and receiver do not accurately describe the relationship between a property manager and owner.

Total tokens: 2669

**Question: a broker and seller terminate the listing contract. An offer is received in the mail by the broker after the termination of the listing contract. The offer is for full price and includes all of the terms and conditions of the seller. Why is this NOT a valid contract? a. no earnest money has been enclosed. b. there is no consideration involved. c. no acceptance has been given. d. there is no current listing agreement.**

chat history tokens 0

concept: a broker and seller terminate the listing contract. An offer is received in the mail by the broker after the termination of the listing contract. The offer is for full price and includes all of the terms and conditions of the seller. Why is this NOT a valid contract? a. no earnest money has been enclosed. b. there is no consideration involved. c. no acceptance has been given. d. there is no current listing agreement.

1) RIGHTS OF AGENT REGARDING A PRINCIPAL, AN OVERVIEW (0.14)

2) rebfall\_13.pdf (0.14)

3) RIGHTS OF AGENT REGARDING A PRINCIPAL, AN OVERVIEW (0.15)

4) RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (0.15)

5) RIGHTS OF AGENT REGARDING A PRINCIPAL, AN OVERVIEW (0.15)

6) RIGHTS OF AGENT REGARDING A PRINCIPAL, AN OVERVIEW (0.15)

Answer: The offer is not valid because there was no acceptance given.

From the context documents, it is clear that the offer is not valid because there was no acceptance given. In

Total tokens: 2612

**Question: which of the following can a property owner expect after sewer lines are installed in front of his/her property? a. general assessment. b. ordinary assessment. c. supplemental assessment. d. special assessment.**

chat history tokens 0

concept: which of the following can a property owner expect after sewer lines are installed in front of his/her property? a. general assessment. b. ordinary assessment. c. supplemental assessment. d. special assessment.

1) SPECIAL ASSESSMENTS (0.16)

2) [Subdivision Public Report Application Guide]\_Section XV ITEM ANALYSIS.pdf (0.18)

3) subdivision public report\_0.pdf (0.18)

4) [Subdivision Public Report Application Guide]\_Section XV ITEM ANALYSIS.pdf (0.18)

5) subdivision public report\_0.pdf (0.18)

6) [Residential Subdivision Buyers Guide]\_THE PUBLIC REPORT.pdf (0.19)

Based on the provided context, the answer is d) special assessment.

Special assessments are levied to pay for specific public improvements or services that benefit the properties being assessed, such as sewer lines. The context documents indicate that special assessments are not based on property value, but rather are levied equally against properties that will benefit from the improvement.

For example, Context Document 1 states: "Special assessments are levied for the cost of a public improvements or services such as streets, sewers, irrigation, and drainage. Special assessments may be due periodically to improvement districts or be levied only once by the city or county for a particular work or improvement. These assessments are not based on the value of the property."

Context Document 3 also mentions special assessments in relation to paying for off-site improvements like sewer lines.

Therefore, the installation of sewer lines in front of a property would likely result in a special assessment to cover the cost of that public improvement.

Total tokens: 2732

**Question: Sarah has just qualified for her salesperson's license. How much time does she have to file her application to practice? a. one year from the date she passed the exam. b. one year from the date she was notified she passed the exam. c. two years from the date she was notified she had passed the exam. d. two years from the date she passed the exam.**

chat history tokens 0

concept: Sarah has just qualified for her salesperson's license. How much time does she have to file her application to practice? a. one year from the date she passed the exam. b. one year from the date she was notified she passed the exam. c. two years from the date she was notified she had passed the exam. d. two years from the date she passed the exam.

- 1) 10153.7. Salesperson License – Four-year Term (0.17)
- 2) 11408. One Year after Exam to Apply for License (0.17)
- 3) 10150.6. Experience and Education Requirements for Broker License (0.17)
- 4) 10153.8. Reexamination for Real Estate License (0.18)
- 5) 10151. Salesperson Examination and License Applications (0.18)
- 6) ORIGINAL REAL ESTATE BROKER LICENSE (0.18)

Based on the context provided in document 2, titled '11408. One Year after Exam to Apply for License', Sarah has one year from the date she successfully completed her exam to file her application to practice. Therefore, the correct answer is a. one year from the date she passed the exam.

Total tokens: 2629



**Question: A real estate licensee submits a license renewal application, but his name is on a list of obligors who have not complied with a court-ordered payment of child support. Which of the following is most nearly correct? a. The renewal will be approved, but the license will be suspended until he makes up the delinquent amount. b. The license cannot be renewed until he has paid the delinquent amount. c. A temporary renewal will be issued, but the licensee must pay the delinquent amount within 150 days. d. The license will be renewed for a one-year term only, unless the licensee submits proof from the district attorney that the debt has been paid.**

chat history tokens 0

concept: A real estate licensee submits a license renewal application, but his name is on a list of obligors who have not complied with a court-ordered payment of child support. Which of the following is most nearly correct? a. The renewal will be approved, but the license will be suspended until he makes up the delinquent amount. b. The license cannot be renewed until he has paid the delinquent amount. c. A temporary renewal will be issued, but the licensee must pay the delinquent amount within 150 days. d. The license will be renewed for a one-year term only, unless the licensee submits proof from the district attorney that the debt has been paid.

- 1) ORIGINAL SALESPERSON LICENSE (0.11)
- 2) ORIGINAL SALESPERSON LICENSE (0.11)
- 3) 17520. Enforcement of Child Support Obligations (0.11)
- 4) 17520. Enforcement of Child Support Obligations (0.12)
- 5) 17520. Enforcement of Child Support Obligations (0.13)
- 6) 494.5. License Denial or Suspension for Delinquent Taxes (0.13)

Based on the context documents, particularly from 'ORIGINAL SALESPERSON LICENSE' and '17520. Enforcement of Child Support Obligations', the correct answer seems to be c. A temporary renewal will be issued, but the licensee must pay the delinquent amount within 150 days. The documents state that a 150-day temporary license may be issued to an otherwise qualified applicant who is on the list of child support obligors. However, a full-term license cannot be issued unless a release is obtained from the district attorney's office indicating that the delinquent amount has been paid within the 150-day temporary license period.

Total tokens: 3824

**Question: When a deposit receipt on the sale of a house states that the property is being sold 'as is,' it: a. provides that the buyer should beware. b. also requires a real estate transfer disclosure statement. c. does not require a real estate transfer disclosure statement. d. means that nothing is warranted.**

chat history tokens 0

concept: When a deposit receipt on the sale of a house states that the property is being sold 'as is,' it: a. provides that the buyer should beware. b. also requires a real estate transfer disclosure statement. c. does not require a real estate transfer disclosure statement. d. means that nothing is warranted.

1) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.15)

2) [Disclosures in Real Property Transactions]\_SECTION II DISCLOSURES REQUIRED OF REAL ESTATE AGENTS IN TRANSFER OF RESIDENTIAL PROPERTY.pdf (0.15)

3) RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (0.15)

4) [Disclosures in Real Property Transactions]\_SECTION I DISCLOSURES REQUIRED OF A SELLER AND/OR A REAL ESTATE BROKER/AGENT.pdf (0.16)

5) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.16)

6) Disclosures in Real Property Transactions #RE 6 (Rev. 2005) (0.16)

Based on the context documents, the answer is: b. also requires a real estate transfer disclosure statement. This is elaborated in "[Disclosures in Real Property Transactions]\_SECTION II DISCLOSURES REQUIRED OF REAL ESTATE AGENTS IN TRANSFER OF RESIDENTIAL PROPERTY.pdf" - it indicates that even when a property is sold 'as is', the seller and the real estate agent have a duty to disclose all material facts affecting the property's value, desirability, and intended use. Moreover, the document "RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS" affirms that unless otherwise agreed to in writing, the property is sold in its present physical ("as is") condition subject to the right of the buyers to inspect and investigate, implying that disclosures are necessary.

Total tokens: 4057

**Question: which of the following is required to operate as an advance-fee rental agent? a. a real estate broker's license. b. a written contract with prospective tenants. c. a real estate salesperson's license. d. access to the multiple listing service.**

chat history tokens 0

concept: which of the following is required to operate as an advance-fee rental agent? a. a real estate broker's license. b. a written contract with prospective tenants. c. a real estate salesperson's license. d. access to the multiple listing service.

1) REAL ESTATE SALESPERSON AND REAL ESTATE BROKER LICENSING EXAMINATION OUTLINE (0.16)

2) 10167.9. PRLS Contract Requirements – DRE Approval of Contract Required (0.16)

3) 10131.2. Broker Definition Continued – Advance Fees (0.16)

4) 10167.2. License Required (0.17)

5) rebfall\_13.pdf (0.17)

6) rebfall\_20.pdf (0.17)

According to the documents provided, the following is a requirement to operate as an advance-fee rental agent:

b. a written contract with prospective tenants.

This requirement is detailed in Context document 2: '10167.9. PRLS Contract Requirements – DRE Approval of Contract Required' where it says "Prior to the acceptance of a fee, a licensee shall offer the prospective tenant a written contract".

Total tokens: 3320

**Question: As long as it is specified as part of his or her duties, is it legal for an unlicensed salaried assistant to solicit listings for the broker? a. yes, if it is part of a written job description. b. No, active participation in real estate transactions requires a license. c. No, soliciting listings is the exclusive responsibility of the broker. d. Yes, because she is being paid a salary, not commissions.**

chat history tokens 0

concept: As long as it is specified as part of his or her duties, is it legal for an unlicensed salaried assistant to solicit listings for the broker? a. yes, if it is part of a written job description. b. No, active participation in real estate transactions requires a license. c. No, soliciting listings is the exclusive responsibility of the broker. d. Yes, because she is being paid a salary, not commissions.

1) rebwinter\_16.pdf (0.15)

2) THREE RELATIONSHIPS IDENTIFIED AND DEFINED (0.15)

3) THREE RELATIONSHIPS IDENTIFIED AND DEFINED (0.16)

4) [Broker Compliance Evaluation Manual]\_SECTION 1 General Business Practices.pdf (0.16)

5) rebwinter\_16.pdf (0.16)

6) THREE RELATIONSHIPS IDENTIFIED AND DEFINED (0.16)

Based on the provided documents, the answer to your question is b. "No, active participation in real estate transactions requires a license." This is supported by the contexts in Document 1 and Document 5, which mention that a real estate broker cannot employ or compensate an unlicensed person to perform acts requiring a real estate license under B&P Section 10137.

Total tokens: 3798