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District of Columbia

**Real Estate Commission**

## REAL ESTATE LICENSE EXAMINATION CANDIDATE INFORMATION BULLETIN

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**Effective October 1, 2018, the National Real Estate Broker and Salesperson Examinations will be updated. For more information go to [www.psiexams.com](http://www.psiexams.com) and select the “Updated Content Outline” under Messages.**

Please refer to our website to check for the most updated information at [www.psiexams.com](http://www.psiexams.com)

## FIRST-TIME APPLICANTS: SALESPERSON, BROKERS AND PROPERTY MANAGERS

### SALESPERSON APPLICANTS MUST:

1. Complete 60 hour Salesperson pre-licensing education. For real estate pre-licensing course providers, visit [//dcopla.com/realestate](http://dcopla.com/realestate).
2. Schedule the DC real estate licensing examination by visiting [www.psiexams.com](http://www.psiexams.com) or call PSI at (800) 733-9267. **Be sure to request a Salesperson exam.**
3. Report to test center at least thirty (30) minutes before the examination begins.
  - Candidates should bring: Proper identification that confirms their age as at least 18 years old.
  - The name on your identification must match the name on the reservations. Reservations are to be made in your Legal Name.
  - Provide evidence of completion of the 60 hour Salesperson pre-licensing course.
4. Apply for a license upon passing the national and state portions of the examination by going to [//dcopla.com/realestate](http://dcopla.com/realestate) in order to complete the application on-line. Complete instructions for the filing of the application can be found at [dcopla.com](http://dcopla.com). At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 866-270-9817 or by chatting live with a Customer Service Representative through our website [dcopla.com/realestate](http://dcopla.com/realestate).

### BROKER APPLICANTS MUST:

All broker applicants must first have both a salesperson license and two years' experience as a Salesperson before applying for a broker license. If you are an out-of-state applicant you must have two years' experience as a licensed salesperson in your own jurisdiction.

1. Complete 135-hour Broker pre-licensing education. See [//dcopla.com/realestate](http://dcopla.com/realestate) for a list of approved Pre-Licensing Education Providers.
2. Schedule the DC real estate licensing examination by visiting [www.psiexams.com](http://www.psiexams.com) or call PSI at (800)733-9267. **Be sure to request a Broker exam.**
3. Report to the test center at least thirty (30) minutes before the examination begins.
  - Candidates should bring: Proper identification that confirms their age of at least 18 years old.
  - The name on your identification must match the name on the reservation. Reservations are to be in your Legal Name.
4. Provide evidence of completion of the 135-hour Broker pre-licensing course.
5. Apply for a license upon passing the national and state portions of the examination. Please go to <https://dcra.dc.gov/> in order to file your application on line. Complete instructions for the filing of the application can be found at <https://dcra.dc.gov/>. At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 866-270-9817 or by chatting live with a Customer Service Representative through our website, [//dcopla.com/realestate](http://dcopla.com/realestate).

- Submit proof of 2 consecutive years' experience as an active salesperson immediately preceding date of application.
- Obtain an original Letter of Certification from your original licensing jurisdiction. (It must be dated within 90 days) Contact your jurisdiction's real estate commission to order Certification. Pocket cards are not accepted.

### PROPERTY MANAGER APPLICANTS MUST:

Successful completion of the DC Property Manager examination is mandatory for licensure. pre-license education is not required for Property Managers; however, see Pre-Licensing Education Providers List info found at [//dcopla.com/realestate](http://dcopla.com/realestate) should you desire property management pre-licensing education.

1. Obtain Property Manager Study Guide to study for examination at this link [//dcopla.com](http://dcopla.com).
2. Schedule the DC real estate licensing examination by visiting [www.psiexams.com](http://www.psiexams.com) or call PSI at (800) 733-9267. **Be sure to request a Property Manager exam.**
3. Report to test center at least thirty (30) minutes before the examination begins.
  - Candidates should bring proper identification which confirms their age as at least 18 years old. The name on your identification must match the name on the reservations. Reservations are to be made in your Legal Name.
4. Upon passing the examination you may apply on-line at [//dcopla.com/realestate](http://dcopla.com/realestate). Complete instructions for the filing of the application can be found [//dcopla.com/realestate](http://dcopla.com/realestate). At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 866-270-9817 or by chatting live with a Customer Service Representative through our website, <https://dcopla.com/realestate>.

## RECIPROCITY APPLICANTS

- **BROKERS OR SALESPERSONS CURRENTLY LICENSED IN VIRGINIA.**
- **BROKERS CURRENTLY LICENSED IN MARYLAND.**
- **SALESPERSONS CURRENTLY LICENSED IN MARYLAND (From 1996 to Present).**

1. Complete a 3 hr DCREC approved DC Fair Housing course. See [Finding Fair Housing Course Offerings](#) at [dcopla.com/realestate](http://dcopla.com/realestate).
2. Obtain an original Letter of Certification from your original licensing jurisdiction. (Dated within 90 days) Contact your jurisdiction's real estate commission to order Certification. Pocket cards are not accepted.
3. Obtain DC regulations document to study for examination. You can access the "*Real Estate Legislation*" [//dcopla.com/realestate](http://dcopla.com/realestate).
4. Schedule the DC real estate licensing examination by visiting [www.psiexams.com](http://www.psiexams.com) or call PSI at (800) 733-9267. **Be sure to request either Broker or Salesperson state exam only.**

Apply for a license upon passing the state portion of the examination at [//dcopla.com/realestate](http://dcopla.com/realestate). Complete instructions for the filing of the application can be found



at//dcopla.com. At any point if you need assistance or if you have questions, you may call DCOPLA Customer Service at 866-270-9817 or by chatting live with a Customer Service Representative through our website, //dcopla.com/realestate.

## ENDORSEMENT APPLICANTS

- **BROKERS OR SALESPERSONS CURRENTLY LICENSED IN ANY JURISDICTION OTHER THAN MARYLAND OR VIRGINIA.**
- **SALESPERSONS CURRENTLY LICENSED IN MARYLAND BEFORE 1996.**

Endorsement applicants may be allowed to waive pre-licensing education requirements, experience requirements, and the national portion of the DC real estate examination. At the date of licensure, the original jurisdiction's national exam standards, including scoring, must have been substantially equivalent to District's exam standards.

**All applicants are required to take the DC law examination and obtain a minimum 75 percent passing score.**

1. Broker applicants must meet The District's 135-hour requirement plus submit two (2) consecutive years of active Sales experience immediately preceding the application.
2. Salesperson applicants must meet or exceed the District's 60-hour pre-licensing education requirements in the jurisdiction from which they are applying.
3. Complete a 3 hr DCREC approved DC Fair Housing course. See Finding Fair Housing Course Offerings at [dcopla.com/realestate](http://dcopla.com/realestate).
4. Obtain an original Letter of Certification from your original licensing jurisdiction. (Dated within 90 days). Contact your jurisdiction's real estate commission to order Certification. Pocket cards are not accepted.
5. Obtain DC regulations document to study for examination. You can access the "*Real Estate Legislation*" at [//dcopla.com/realestate](http://dcopla.com/realestate).
6. Schedule the DC real estate licensing examination by visiting [www.psiexams.com](http://www.psiexams.com) or call PSI at (800) 733-9267. **Be sure to request either Broker or Salesperson state exam only.**
7. Apply for a license upon passing the state portion of the examination at [//dcopla.com/realestate](http://dcopla.com/realestate). Complete instructions for the filing of the application can be found at [//dcopla.com/real estate](http://dcopla.com/real estate). At any point, if you need assistance or if you have questions, you may call DCOPLA Customer Service at 866-270-9817 or by chatting with a live Customer Service Representative through website, [//dcopla.com/realestate](http://dcopla.com/realestate). The following documents are required to be submitted with your application:
  - a. Original letter of certification from your original licensing jurisdiction (dated within 90 days of the date of your application).
  - b. Copies of continuing education certificates for courses completed in the last two years.
  - c. A professional resume or biography.
  - d. A detailed description of the pre-licensing course you completed (include subject areas studied.) This section **does not** apply to Maryland salesperson applicants.

DCREC will review complete Endorsement Applications after completion of the examination and submission of a complete application. If an applicant does not fulfill the requirements for endorsement, DCOPLA will provide information regarding additional requirements that must be met to be licensed. Complete requirements can be found at [//dcopla.com/realestate](http://dcopla.com/realestate).

## STUDY MATERIALS

Obtain DC regulations document to study for the examination. You can access the "*Real Estate Legislation and Regulations*" at this link [//dcopla.com/realestate](http://dcopla.com/realestate). This is the ONLY Commission supplied material for use in preparing for the law portion of the DC real estate examination.

## RENEWALS REQUIREMENTS

### CONTINUING EDUCATION AND RENEWAL REQUIREMENTS

The renewal cycle for DC real estate licensees spans every two years on the odd years.

- Broker and Property Manager Licenses expire on February 28 of the odd year (e.g. Brokers and Property Manager License cycle is 3/1/2017 through 2/28/2019)
- Salespersons licenses expire August 31 of the odd year (e.g., Salesperson license cycle is 9/1/2017 through 8/31/2019). Licensees are required to take 15 hours of continuing education (CE) coursework within each 2-year licensing cycle.
- Newly licensed brokers, salespersons and property managers are exempt from taking CE courses for the remainder of a licensing cycle during which their license is obtained, but are required to renew the license when that first cycle ends. Prohibitions for working after license expiration include heavy fines and other reprimands.
- All DC licensed Salespersons must be affiliated with a DC licensed Broker.

### MAILING ADDRESS AND WEBSITE

- The DC Real Estate Commission convenes the 2nd Tuesday of each month (recess August).
- Submit applications fifteen (15) business days prior to meetings and are required to be submitted on-line at [//dcopla.com/realestate](http://dcopla.com/realestate).

For questions, you may call the DCOPLA Education Department on 202-442-4320.



## EXAMINATION FEES AND SCHEDULING PROCEDURES

EXAMINATION FEE \$61.50

The examination fee is \$61.50 regardless if you are taking one portion or both portions.

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

Candidates who fail one portion of the examination and pass the other need retake only the portion they failed. Any failed portion must be passed within six (6) months of the first examination attempt. Candidates must apply for a license within 6 months of the passing examination date.

### INTERNET SCHEDULING

For the fastest and most convenient examination scheduling process, PSI recommends that you register for your examinations using the Internet. You register online by accessing PSI's registration website at [www.psiexams.com](http://www.psiexams.com). Internet registration is available 24 hours a day.

- Log onto PSI's website and create an account. You will be asked to put in your email address and the spelling of your name exactly as it is shown on your identification that will be presented at the examination site.
- You will be asked to select the examination. You will then enter your personal and contact information. You will then be ready to pay (you must have a valid credit/debit card) and schedule for the examination. Enter your zip code and a list of the examination sites closest to you will appear.

### TELEPHONE SCHEDULING

PSI registrars are available (800) 733-9267, Monday through Friday between 7:30 am and 10:00 pm, and Saturday-Sunday between 9:00 am and 5:30 pm, Eastern Time.

To schedule by phone, you will need a valid credit/debit card (VISA, MasterCard, American Express or Discover.)

### CANCELING AN EXAMINATION APPOINTMENT

You may cancel and reschedule an examination appointment without forfeiting your fee if your cancellation notice is received a minimum of 2 calendar days before the scheduled examination date. For example, for a Monday appointment, the cancellation notice would need to be received on the previous Saturday. You may reschedule online at [www.psiexams.com](http://www.psiexams.com) or call PSI at (800) 733-9267.

Note: A voice mail message is not an acceptable form of cancellation. Please use the PSI Website or call PSI and speak directly to a Customer Service Representative.

### MISSED APPOINTMENT OR LATE CANCELLATION

Your registration will be invalid, you will not be able to take the examination as scheduled, and you will forfeit your examination fee, if you:

- Do not cancel your appointment 2 calendar days before the scheduled examination date;
- Do not appear for your examination appointment;
- Arrive after examination start time;
- Do not present proper identification when you arrive for the examination. See page 5 for specific requirements.

### EXAMINATION ACCOMMODATIONS

All PSI examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and exam accommodation will be made in meeting a candidate's needs. A candidate with a disability or a candidate who would otherwise have difficulty taking the examination must complete the Examination Accommodation Request Form at the end of this Candidate Information Bulletin and must fax it to PSI (702) 932-2666 or email it to PSI at [examschedule@psionline.com](mailto:examschedule@psionline.com).

### EXAMINATION SITE CLOSING FOR AN EMERGENCY

In the event that severe weather or another emergency forces the closure of an examination site on a scheduled examination date, your examination will be rescheduled. PSI personnel will attempt to contact you in this situation. However, you may check the status of your examination schedule by going to our website, [www.psiexams.com](http://www.psiexams.com) or by calling (800) 733-9267. Every effort will be made to reschedule your examination at a convenient time as soon as possible.

### EXAMINATION SITE LOCATION

Department of Consumer and Regulatory Affairs  
Occupational and Professional Licensing Administration  
1100 4<sup>th</sup> Street, SW  
Suite E 500  
Washington DC 20024  
Metro: Waterfront - Green Line

In addition, candidates may schedule at any PSI test site throughout the US. If your choice doesn't appear, please submit the Out-of-State Testing Request form found at the end of this bulletin.

## REPORTING TO THE EXAMINATION SITE

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



## REQUIRED IDENTIFICATION AT EXAMINATION SITE

You must provide 2 forms of identification. One must be a VALID form of government issued identification (driver's license, state ID, passport), which bears your signature and has your photograph. In addition, it must be current and unexpired. The second ID must have your signature and preprinted legal name.

### PRIMARY IDENTIFICATION (with photo) - Choose One

- State issued driver's license
  - State issued identification card
  - US Government Issued Passport
  - US Government Issued Military Identification Card
  - US Government Issued Alien Registration Card
- NOTE: ID must contain candidate's photo, be valid and unexpired.

### SECONDARY IDENTIFICATION - Choose One

- Credit Card (must be signed)
- Debit Card (must be signed)
- Wholesale store card (COSTCO, Sam's, etc.) (must be signed)

NEW REAL ESTATE LICENSE APPLICANTS: YOU MUST ALSO PROVIDE A COURSE COMPLETION CERTIFICATE FROM 60 HOUR SALESPERSON PRE-LICENSING EDUCATION COURSE OR 135 HOUR BROKER'S PRE-LICENSING EDUCATION COURSE

ENDORSEMENT LICENSE APPLICANTS: YOU MUST ALSO BRING THE LICENSE FROM THE STATE YOU ARE LICENSED IN AND AN ORIGINAL COPY OF YOUR DC FAIR HOUSING CERTIFICATE

RECIPROCITY LICENSE APPLICANTS: YOU MUST ALSO BRING YOUR VIRGINIA OR MARYLAND LICENSE WITH AN ORIGINAL COPY OF YOUR DC FAIR HOUSING CERTIFICATE

If you cannot provide the required identification, you must call (800) 733-9267 at least 3 weeks prior to your scheduled appointment to arrange a way to meet this security requirement. *Failure to provide all of the required identification at the time of the examination without notifying PSI is considered a missed appointment, and you will not be permitted to take the examination.*

## SECURITY PROCEDURES

The following security procedures will apply during the examination:

- A calculator will be provided to you at check-in. You will return this to the proctor at the end of the examination.
- A piece of scratch paper and a pencil will be provided to you at check-in. You will return this to the proctor at the end of the examination.
- Candidates may take only approved items into the examination room.
- All personal belongings of candidates, with the exception of close-fitting jackets or sweatshirts, should be placed in the secure storage provided at each site prior to entering the examination room. Personal belongings **include, but are not limited to**, the following items:
- Electronic devices of any type, including cellular / mobile phones, recording devices, electronic watches, cameras, pagers, laptop computers, tablet computers

(e.g., iPads), music players (e.g., iPods), smart watches, radios, or electronic games.

- Bulky or loose clothing or coats that could be used to conceal recording devices or notes, including coats, shawls, hooded clothing, heavy jackets, or overcoats.
- Hats or headgear not worn for religious reasons or as religious apparel, including hats, baseball caps, or visors.
- Other personal items, including purses, notebooks, reference or reading material, briefcases, backpacks, wallets, pens, pencils, other writing devices, food, drinks, and good luck items.
- Person(s) accompanying an examination candidate may not wait in the examination center, inside the building or on the building's property. This applies to guests of any nature, including drivers, children, friends, family, colleagues or instructors.
- No smoking, eating, or drinking is allowed in the examination center.
- During the check in process, all candidates will be asked if they possess any prohibited items. Candidates may also be asked to empty their pockets and turn them out for the proctor to ensure they are empty. The proctor may also ask candidates to lift up the ends of their sleeves and the bottoms of their pant legs to ensure that notes or recording devices are not being hidden there.
- Proctors will also carefully inspect eyeglass frames, tie tacks, or any other apparel that could be used to harbor a recording device. Proctors will ask to inspect any such items in candidates' pockets.
- If prohibited items are found during check-in, candidates shall put them in the provided secure storage or return these items to their vehicle. PSI will not be responsible for the security of any personal belongings or prohibited items.
- Any candidate possessing prohibited items in the examination room shall immediately have his or her test results invalidated, and PSI shall notify the examination sponsor of the occurrence.
- Any candidate seen giving or receiving assistance on an examination, found with unauthorized materials, or who violates any security regulations will be asked to surrender all examination materials and to leave the examination center. All such instances will be reported to the examination sponsor.
- Copying or communicating examination content is violation of a candidate's contract with PSI, and federal and state law. Either may result in the disqualification of examination results and may lead to legal action.
- Once candidates have been seated and the examination begins, they may leave the examination room only to use the restroom, and only after obtaining permission from the proctor. Candidate will not receive extra time to complete the examination.

## TAKING THE EXAMINATION

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

### IDENTIFICATION SCREEN

You will be directed to a semiprivate testing station to take the examination. When you are seated at the testing station, you will be prompted to confirm your name, identification number, and the examination for which you are registered.



## TUTORIAL

Before you start your examination, an introductory tutorial is provided on the computer screen. The time you spend on this tutorial, up to 15 minutes, DOES NOT count as part of your examination time. Sample questions are included following the tutorial so that you may practice answering questions, and reviewing your answers.

## TEST QUESTION SCREEN

The "Function Bar" at the top of the test question provides mouse-click access to the features available while taking the examination.

One question appears on the screen at a time. During the examination, minutes remaining will be displayed at the top of the screen and updated as you record your answers.

**IMPORTANT:** After you have entered your responses, you will later be able to return to any question(s) and change your response, provided the examination time has not run out.

## EXAMINATION REVIEW

PSI, in cooperation with The District of Columbia Real Estate Commission (DCREC), will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. Comments may be entered by clicking the Comments link on the function bar of the test question screen. Your comments regarding the questions and the examinations are welcomed.

Comments will be analyzed by PSI examination development staff. While PSI does not respond to individuals regarding these comments, all substantive comments are reviewed. If an error affecting examination scores is discovered as a result, which occurs very rarely, the examination scores of all affected candidates will be automatically adjusted. **This is the only review of the examination available to candidates.**

Now you can take the practice exam online at [www.psiexams.com](http://www.psiexams.com) to prepare for your Real Estate Examination.

Please note that practice exams are intended only to help testing candidates become familiar with the general types of questions that will appear on a licensing examination. They ARE NOT a substitute for proper education and study. Furthermore, scoring well on the practice exam does not guarantee a positive outcome on an actual licensing examination.

Note: You may take the practice exams an unlimited number of times; however, you will need to pay each time.

## **SCORE REPORTING**

Your score will be given to you immediately following completion of the examination. You need to score a minimum of 75% correct to pass. The following summary describes the score reporting process:

- If you **pass**, you will receive a successful score report.
- If you **do not pass**, you will receive a diagnostic report indicating your strengths and weaknesses by examination type on the score report.

## DUPLICATE SCORE REPORTS

You may request a duplicate score report after your examination by emailing [scorereport@psionline.com](mailto:scorereport@psionline.com) or by calling 800-733-9267.

## **PREPARATION TIPS FOR THE WRITTEN EXAMINATION**

The following suggestions will help you prepare for the examination.

- Planned preparation increases your likelihood of passing.
- Start with a current copy of this Candidate Information Bulletin and use the examination content outline as your starting point.
- Take notes on what you study. Putting information in writing helps you commit it to memory and it is also an excellent business practice. Underline or highlight key ideas that will help with a later review.
- Discuss new terms or concepts as frequently as you can with colleagues. This will test your understanding and reinforce ideas.
- Your studies will be most effective if you study frequently, for periods of about 45 to 60 minutes. Concentration tends to wander when you study for longer periods of time.

## **EXAMINATION CONTENT OUTLINES FOR SALESPERSON AND BROKER**

The Examination Content Outlines have been approved by The District of Columbia Real Estate Commission. These outlines reflect the minimum knowledge required by real estate professionals to perform their duties to the public in a competent and responsible manner. Changes in the examination content will be preceded by changes in these published examination content outlines.

The law portion of the examination has been developed to reflect the laws, regulations, and practice of real estate in the District of Columbia, and has been reviewed and approved by real estate professionals in the District of Columbia.



## MATH CALCULATIONS

The information below is NOT available at the test center and should be memorized.

Candidates may use the following information in making mathematical calculations on the general section of the real estate examinations unless otherwise stated in the text of the question:

- 43,560 square feet/acre
- 5,280 feet/mile
- Round off calculations (where applicable)

The information below, if needed, will be contained within the test itself:

*If a question requires the calculation of prorated amounts, the question will specify:*

- a) whether the calculation should be made on the basis of 360 or 365 days a year; and*
- b) whether the day of closing belongs to the buyer or seller.*

Use the outlines as the basis of your study. The outlines list all of the topics that are on the examination and the number of items for each topic. Do not schedule your examination until you are familiar with all topics in the outlines.

## EXAMINATION SUMMARY TABLE

Examination	Portion	# of Items	Time Allowed
Salesperson	General	80	120 Minutes
	State	30	90 Minutes
	Combo (both portions)	110	210 Minutes
Broker	General	80	120 Minutes
	State	40	90 Minutes
	Combo (both portions)	120	210 Minutes
Property Manager	General	60	150 Minutes
	State	20	90 Minutes
	Combo (both portions)	80	7 Minutes

## NON-SCORED QUESTIONS

In addition to the number of examination items specified in the "Examination Content Outlines", a small number (up to 10) of "non-scored" items may be administered to candidates during the examinations. The use of such questions is an essential step in developing accurate future examinations. These questions will NOT be scored and time to answer them has been added to the time allowed.

## CONTENT OUTLINES

Use the outline as a guide for pre-examination review course material. The outlines list the topics that are on the examination and the number of questions for each topic. Do not schedule your examination until you are familiar with the topics in the outline.

## GENERAL PORTION CONTENT OUTLINE FOR SALESPERSONS AND BROKERS

### I. PROPERTY OWNERSHIP (SALESPERSON 7 ITEMS/BROKER 6 ITEMS)

- Classes of property
  - Real versus personal property
  - Defining fixtures
- Land characteristics and legal descriptions
  - Physical characteristics of land
  - Economic characteristics of land
  - Types of legal property descriptions
  - Usage of legal property descriptions
  - Physical descriptions of property and improvements
  - Mineral, air and water rights
- Encumbrances and effects on property ownership
  - Liens (types and priority)
  - Easements and licenses
  - Encroachments
- Types of ownership
  - Types of estates
  - Forms of ownership
  - Leaseholds
  - Common interest ownership properties
  - Bundle of rights

### II. LAND USE CONTROLS AND REGULATIONS (SALESPERSON 5 ITEMS/BROKER 5 ITEMS)

- Government rights in land
  - Property taxes and special assessments
  - Eminent domain, condemnation, escheat
  - Police power
- Public controls based in police power
  - Zoning and master plans
  - Building codes
  - Environmental impact reports
  - Regulation of special land types (floodplain, coastal, etc.)
- Regulation of environmental hazards
  - Abatement, mitigation and cleanup requirements
  - Restrictions on sale or development of contaminated property
  - Types of hazards and potential for agent or seller liability
- Private controls
  - Deed conditions or restrictions
  - Homeowners association (HOA) regulations

### III. VALUATION AND MARKET ANALYSIS (SALESPERSON 8 ITEMS/BROKER 6 ITEMS)

- Value
  - Market value and market price
  - Value
    - Types and characteristics of value
    - Principles of value
    - Market cycles and other factors affecting property value
- Methods of estimating value/appraisal process
  - Market or sales comparison approach
  - Replacement cost or summation approach
  - Income approach



- d. Basic appraisal terminology (e.g., replacement versus reproduction cost, reconciliation, depreciation, kinds of obsolescence)
- 3. Competitive/Comparative Market Analysis (CMA)
  - a. Selecting and adjusting comparables
  - b. Contrast CMA and appraisal
    - i. Price per square foot
    - ii. Gross rent and gross income multipliers
    - iii. Capitalization rate
- 4. Appraisal practice; situations requiring appraisal by a certified appraiser

#### IV. FINANCING (SALESPERSON 6 ITEMS/BROKER 7 ITEMS)

- 1. General concepts
  - a. LTV ratios, points, origination fees, discounts, broker commissions
  - b. Mortgage insurance (PMI)
  - c. Lender requirements, equity, qualifying buyers, loan application procedures
- 2. Types of loans and sources of loan money
  - a. Term or straight loans
  - b. Amortized and partially amortized (balloon) loans
  - c. Adjustable rate mortgage (ARM) loans
  - d. Conventional versus insured
  - e. Reverse mortgages; equity loans; subprime and other nonconforming loans
  - f. Seller/owner financing
  - g. Primary market
  - h. Secondary market
  - i. Down payment assistance programs
- 3. Government programs
  - a. FHA
  - b. VA
  - c. Other federal programs
- 4. Mortgages/deeds of trust
  - a. Mortgage clauses (assumption, due-on-sale, alienation, acceleration, prepayment, release)
  - b. Lien theory versus title theory
  - c. Mortgage/deeds of trust and note as separate documents
- 5. Financing/credit laws
  - a. Lending and disclosures
    - i. Truth in lending
    - ii. RESPA
    - iii. Integrated Disclosure Rule (TRID)\*
    - iv. Equal Credit Opportunity
  - b. Fraud and lending practices
    - i. Mortgage fraud
    - ii. Predatory lending practices (risks to clients)
    - iii. Usury lending laws
    - iv. Appropriate cautions to clients seeking financing

\*The new TRID rule regarding the integrated loan estimate and closing disclosure forms took effect on October 3, 2015.

#### V. GENERAL PRINCIPLES OF AGENCY (SALESPERSON 10 ITEMS/BROKER 11 ITEMS)

- 1. Nature of agency relationships
  - a. Types of agents and agencies (special, general, designated, subagent, etc.)
  - b. Nonagents (transactional/facilitational)
  - c. Fiduciary responsibilities
- 2. Creation and disclosure of agency and agency agreements (general, not state specific)
  - a. Agency and agency agreements

- b. Disclosure when acting as principal or other conflict of interest
- 3. Responsibilities of agent/principal
  - a. Duties to client/principal (buyer, seller, tenant or landlord)
  - b. Traditional common law agency duties; effect of dual agency on agent's duties
- 4. Responsibilities of agent to customers and third parties, including disclosure, honesty, integrity, accounting for money
- 5. Termination of agency
  - a. Expiration
  - b. Completion/performance
  - c. Termination by force of law
  - d. Destruction of property/death of principal
  - e. Mutual agreement

#### VI. PROPERTY CONDITION AND DISCLOSURE (SALESPERSON 8 ITEMS/BROKER 9 ITEMS)

- 1. Property condition disclosure
  - a. Property owner's role regarding property condition
  - b. Licensee's role regarding property condition
- 2. Warranties
  - a. Purpose of home or construction warranty programs
  - b. Scope of home or construction warranty programs
- 3. Need for inspection and obtaining/verifying information
  - a. Explanation of property inspection process and appropriate use
  - b. Agent responsibility to inquire about "red flag" issues
  - c. Responding to non-client inquiries
- 4. Material facts related to property condition or location
  - a. Land/soil conditions
  - b. Accuracy of representation of lot or improvement size, encroachments or easements affecting use
  - c. Pest infestation, toxic mold and other interior environmental hazards
  - d. Structural issues such as roof, gutters, downspouts, doors, windows, foundation
  - e. Condition of electrical and plumbing systems, and of equipment or appliances that are fixtures
  - f. Location within natural hazard or specifically regulated area, potentially uninsurable property
  - g. Known alterations or additions
- 5. Material facts related to public controls, statutes of public utilities
  - a. Zoning and planning information
  - b. Boundaries of school/utility/taxation districts, flight paths
  - c. Local taxes and special assessments, other liens
  - d. External environmental hazards
  - e. Stigmatized/psychologically impacted property, Megan's Law issues

#### VII. CONTRACTS (SALESPERSON 11 ITEMS/BROKER 12 ITEMS)

- 1. General knowledge of contract law
  - a. Requirements for validity
  - b. When contract is considered performed/discharged
  - c. Assignment and novation





- d. Breach of contract and remedies for breach
- e. Contract clauses
- 2. Listing agreements
  - a. General requirements for valid listing
  - b. Exclusive listings
  - c. Non-exclusive listings
- 3. Buyer/tenant representation agreements, including key elements and provisions of buyer and/or tenant agreements
- 4. Offers/purchase agreements
  - a. General requirements
  - b. When offer becomes binding (notification)
  - c. Contingencies
  - d. Time is of the essence
- 5. Counteroffers/multiple counteroffers
  - a. Counteroffer cancels original offer
  - b. Priority of multiple counteroffers
- 6. Leases
  - a. Types of leases, e.g., percentage, gross, net, ground
  - b. Lease with obligation to purchase or lease with an option to purchase
- 7. Other real estate contracts
  - a. Options
  - b. Right of first refusal
- ii. Fair housing issues in advertising
- b. Fraud, technology issues
  - i. Uninformed misrepresentation versus deliberate misrepresentation (fraud)
  - ii. Technology issues in advertising and marketing
- 4. Agent supervision and broker-associate relationship
  - a. Liability/responsibility for acts of associated licensees (employees or independent contractors) and unlicensed employees
  - b. Responsibility to train and supervise associated licensees (employees or independent contractors) and unlicensed employees
- 5. Commissions and fees
  - a. Procuring cause/protection clauses
  - b. Referrals and other finder fees
- 6. General ethics
  - a. Practicing within area of competence
  - b. Avoiding unauthorized practice of law
- 7. Antitrust laws
  - a. Antitrust laws and purpose
  - b. Antitrust violations in real estate

**VIII. TRANSFER OF TITLE (SALESPERSON 5 ITEMS/BROKER 5 ITEMS)**

- 1. Title insurance
  - a. What is insured against
  - b. Title searches, title abstracts, chain of title
  - c. Cloud on title, suit to quiet title
- 2. Deeds
  - a. Purpose of deed, when title passes
  - b. Types of deeds (general warranty, special warranty, quitclaim) and when used
  - c. Essential elements of deeds
  - d. Importance of recording
- 3. Escrow or closing; tax aspects of transferring title to real property
  - a. Responsibilities of escrow agent
  - b. Prorated items
  - c. Settlement Statements
  - d. Estimating closing costs
  - e. Property and income taxes
- 4. Special processes
  - a. Foreclosure/short sale
  - b. Real estate owned (REO)

**IX. PRACTICE OF REAL ESTATE (SALESPERSON 12 ITEMS/BROKER 12 ITEMS)**

- 1. Trust/escrow accounts (general, not state specific)
  - a. Purpose and definition of trust accounts, including monies held in trust accounts
  - b. Responsibility for earnest money and other trust monies, including commingling/conversion
- 2. Federal fair housing laws
  - a. Protected classes
    - i. Covered transactions
    - ii. Specific laws and their effects
  - b. Compliance
    - i. Types of violations and enforcement
    - ii. Exceptions
- 3. Advertising and technology
  - a. Incorrect "factual" statements versus "puffing"
    - i. Truth in advertising

**X. REAL ESTATE CALCULATIONS (SALESPERSON 6 ITEMS/BROKER 4 ITEMS)**

- 1. Basic math concepts
  - a. Area
  - b. Loan-to-value ratios
  - c. Discount points
  - d. Equity
  - e. Down payment/amount to be financed
- 2. Calculations for transactions, including mortgage calculations
- 3. Property tax calculations
- 4. Prorations (utilities, rent, property taxes, insurance, etc.)
  - a. Commission and commission splits
  - b. Seller's proceeds of sale
  - c. Transfer tax/conveyance tax/revenue stamps
  - d. Amortization tables
  - e. Interest rates
  - f. Interest amounts
  - g. Monthly installment payments
  - h. Buyer qualification ratios
- 5. Calculations for valuation
  - a. Competitive/comparative market analyses (CMA)
  - b. Net operating income
  - c. Depreciation
  - d. Capitalization rate
  - e. Gross rent and gross income multipliers (GRM, GIM)

**XI. SPECIALTY AREAS (SALESPERSON 2 ITEMS/BROKER 3 ITEMS)**

- 1. Subdivisions, including development-wide CC & RS
- 2. Commercial, industrial and income property
  - a. Trade fixtures
  - b. Accessibility
  - c. Tax depreciation
  - d. 1031 exchanges
  - e. Trust fund accounts for income property



## STATE PORTION CONTENT OUTLINE FOR SALESPERSONS AND BROKERS

### I. DUTIES AND POWERS OF THE REAL ESTATE COMMISSION (25% SALES, 20% BROKER)

- A. General powers
- B. Investigations, hearings, and appeals
- C. Sanctions
- D. Fines
- E. Suspension and revocation
- F. Guaranty and Education Fund administration

### II. LICENSING REQUIREMENTS (25% SALES, 20% BROKER)

- A. Activities requiring a license
- B. Eligibility for licensing
- C. Continuing education
- D. Change in license
- E. Types of licenses
- F. Renewal/reinstatement

### III. STATUTORY REQUIREMENTS GOVERNING THE ACTIVITIES OF LICENSEES (50% SALES, 40% BROKER)

- A. Advertising
- B. Broker/salesperson relationship
- C. Commissions
- D. Disclosure/conflict of interest
- E. Handling of documents
- F. Handling of monies
- G. Fair housing
- H. Tenant's right to purchase
- I. Agency
- J. Property disclosures

### IV. RESPONSIBILITIES SPECIFIC TO BROKERAGE PRACTICE (20% BROKER)

- A. Examination of records
- B. License renewal
- C. Corporations
- D. Place of business
- E. Recordkeeping
- F. Handling funds
- G. Supervision of licensees

## GENERAL PORTION CONTENT OUTLINE FOR PROPERTY MANAGER

The General Portion of Property Manager examination consists of a 60-item section on general Property Management knowledge including content areas I through III.

### I. MANAGEMENT PLAN, GENERALLY ACCEPTED PRACTICE (16 ITEMS)

- A. Market analysis
- B. Analysis of alternate programs
- C. Property analysis
- D. Responsibilities and limitations
  - 1. According to contract
- E. Implementation
- F. Owner's objective
- G. Analysis of competitive properties

### II. ACCOUNTING SYSTEM (28 ITEMS)

- A. Budgeting process
  - 1. Analysis of income and expense

- 2. Cash flow and projections
- 3. Capital expenditures
- 4. Escrow accounts
- B. Reports and records
- C. Lease administration
  - 1. Pass-through
  - 2. Escalator clauses
- D. Fiscal responsibility
- E. Asset management

### III. FACILITIES MANAGEMENT (16 ITEMS)

- A. Physical inspections
- B. Service contract negotiations
- C. Utility management
  - 1. Water consumption
  - 2. Electric/Natural gas
  - 3. Other
- D. Preventive maintenance
- E. Risk management/Insurance
- F. Capital repairs
- G. Marketing

## STATE PORTION CONTENT OUTLINE FOR PROPERTY MANAGER

The State Portion of Property Manager examination consists of a 20-item section on District laws and rules covering District-specific Property Management laws and regulations.

### I. DISTRICT OF COLUMBIA LAWS, RULES AND REGULATIONS REGARDING PROPERTY MANAGEMENT (20 ITEMS)

- A. Rent control
- B. Occupancy housing and building codes
- C. Leases and security deposits
- D. Agency/contract law
- E. Zoning
- F. Sale and conversion
  - 1. Transfer of ownership
  - 2. District Opportunity to Purchase Act (DOPA)
- G. Fair Housing/Human Rights Act 1977
- H. Employment
- I. Landlord-tenant relationship
- J. Police and fire codes
- K. Record keeping
- L. Tenant's rights under foreclosures
- M. Evictions





All examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and exam accommodations may be made in meeting a candidate’s testing needs. Candidates with disabilities or those who require exam accommodations are not guaranteed improved performance or test completion.

Exam accommodations are individualized and considered on a case-by-case basis. Requesting to have the test in a language other than English is NOT considered to be a disability and will not be considered for approval.

Candidates who wish to request exam accommodations because of a disability should fax this form and supporting documentation to PSI at (702) 932-2666.

Requirements for exam accommodation requests include the following:

You are required to submit documentation from the medical authority or learning institution that rendered a diagnosis. Verification must be submitted to PSI on the letterhead stationery of the authority or specialist and include all the following:

- Description of the disability and limitations related to testing
- Recommended accommodation/modification
- Name, title and telephone number of the medical authority or specialist
- Original signature of the medical authority or specialist

Date: \_\_\_\_\_ SSN#: \_\_\_\_\_

Legal Name: \_\_\_\_\_  
Last Name First Name

Address: \_\_\_\_\_  
Street City, State, Zip Code

Telephone: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_  
Home Work

Email Address: \_\_\_\_\_

Check any exam accommodations you require (requests must concur with documentation submitted)

- Large-print written examination
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- Other \_\_\_\_\_

State Requested \_\_\_\_\_ (Documentation is NOT necessary).

- Complete and fax this form, along with supporting documentation, to (702) 932-2666 or email it to [examaccommodations@psionline.com](mailto:examaccommodations@psionline.com).
- After 4 days, PSI Exam Accommodations will email you confirmation of approval with instructions for the next step.

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