

Michigan Real Estate Salesperson License Exam

Section: Michigan Real Estate Exams • Total Questions: 10 • Format: Verified Q&A

1. A building was purchased for \$350,000 with a 20% down payment. If the lender charges the buyer three discount points, how much will the buyer pay in points?

- (A) \$6,160
 - (B) \$7,000
 - (C) \$8,400
 - (D) \$10,500
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2. What should a real estate broker do with deposit money received on an offer?

- (A) Immediately upon receipt of funds.
 - (B) At the time of application for insurance approval and the mortgage.
 - (C) Within the day of the report on a purchase agreement if done on a local bank, or immediately if done on a national bank.
 - (D) Within three days after the lender has received notice that the offer is accepted by all parties.
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3. What amount of earnest money is required to make a purchase agreement enforceable?

- (A) Three percent of the purchase price is required when financed with a government loan, 2% when financed conventionally.
 - (B) No earnest money is required as long as the property is to be purchased with cash.
 - (C) A set dollar amount is not required in any real estate transaction.
 - (D) Only a valuable consideration is required.
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4. A licensed and active broker represents both parties in a transaction. The broker must obtain consent:

- (A) Share globally with the other parties.
 - (B) Obtain the written consent of both parties.
 - (C) Obtain the written consent of each person.
 - (D) Starting as a newspaper to help parties.
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5. A buyer is signing a contract as a corporation. The broker should:

- (A) Confirm that the corporation is in existence.
 - (B) Get a personal guarantee of performance from the principal.
 - (C) Obtain a power of attorney from the office.
 - (D) Obtain a resolution of the board of directors authorizing the signing of the contract.
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6. Which action is allowed under the Federal Fair Housing law?

- (A) A broker informs a potential seller that now is a good time to sell due to immigrants in the neighborhood.
 - (B) A broker meets a Hispanic buyer and suggests condos in a Hispanic neighborhood.
 - (C) A broker in a Kentucky neighborhood suggests a buyer might be happier elsewhere.
 - (D) A lender denies a borrower because of the crime rate in their area.
 - (E) A landlord receives a rental application from a group of activists and denies it after asking about their plans.
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7. A buyer has decided to hire several real estate licensees, each representing the buyer in different areas. What type of agreement would prevent the buyer from using an undisclosed dual agent?

- (A) Exclusive agency representation
 - (B) Exclusive right to represent
 - (C) Exclusive right to purchase
 - (D) Exclusive right to sell
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8. A number of offers are made on a builder's property but none are satisfactory, so the builder decides to keep the property in inventory. This is proper because:

- (A) The builder is a new owner named FEDO.
 - (B) It is a job and headquarters.
 - (C) It is a store coordinator.
 - (D) The builder can secure the property.
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9. There is an agency relationship in the sale. The broker has the property listed. A buyer who is a customer needs to move soon. The broker must disclose to the seller:

- (A) The buyer's need to move soon.
 - (B) The home is next to a park.
 - (C) The home is across from a school.
 - (D) The home is down the street from a neighbor.
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10. A tenant has a commercial lease that requires the tenant to pay insurance, maintenance, and parking, but not repairs. What kind of lease does the tenant have?

- (A)** Gross lease
- (B)** Net lease
- (C)** Percentage lease
- (D)** Ground lease