

Pennsylvania Real Estate Exam

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

1. A buyer makes a 25% down payment on their home. They obtain a loan commitment for \$240,000. The purchase price is

- (A) 265,000
 - (B) 300,000
 - (C) 320,000
 - (D) 345,000
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2. An applicant for a salesperson license shall submit a sworn statement from the broker with whom they intend to be affiliated, affirming that the:

- (A) broker will assign an associate broker to supervise the applicant
 - (B) applicant is honest, trustworthy, has integrity, and is competent
 - (C) applicant has completed the educational requirements for licensure
 - (D) broker will ensure that the applicant renews their license as required by law
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3. Will Lillian be required to pay private mortgage insurance?

- (A) No, her down payment is large enough to avoid PMI.
 - (B) Yes, PMI is required until she reaches 50% equity.
 - (C) Yes, her down payment does not meet the requirements to eliminate PMI.
 - (D) No, but it depends solely on her credit score.
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4. The Pennsylvania Real Estate Commission has received a written complaint that a licensee is engaging in an activity which is prohibited by the Real Estate Licensing and Registration Act. What action is the Commission empowered to take?

- (A) Suspend the licensee's license for a period not to exceed 6 months.
 - (B) Ascertain the facts and, if warranted, hold a hearing.
 - (C) Serve the licensee with a cease and desist order.
 - (D) Transfer the matter to civil authorities in the county in which the alleged activity occurred.
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5. A buyer emails the buyer's agent a copy of the buyer's W-2 form and paystubs containing the buyer's date of birth and social security number. The buyer's agent forwards the entire email to the seller's agent. Which of the following statements is accurate

- (A) The buyer's agent may be liable for disclosing confidential information
 - (B) The buyer's agent is not liable for disclosing confidential information because the communication is electronic
 - (C) The seller's agent may be liable for disclosing confidential information
 - (D) The real estate commission will automatically place the seller's agent's and the buyer's agent's licenses on probation
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6. An arrangement under which an individual may acquire the right to use and occupy property for a stipulated recurring period is referred to as a(n)

- (A) cooperative
 - (B) time-share
 - (C) easement
 - (D) option
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8. A licensed real estate salesperson may, with supervision of the employing broker, do which of the following?

- (A) Assist in the preparation of an appraisal.
 - (B) Fill out escrow records.
 - (C) Engage in structural inspections.
 - (D) Offer financial advice.
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9. A 'For Sale by Owner' property owner has offered a flat fee to any licensee who procures a buyer. The owner's terms specify that 50% of the fee is payable upon contract acceptance, with the other 50% payable upon transfer of title. A CORRECT statement about this arrangement is that it is:

- (A) acceptable if the fee is paid to the employing broker
 - (B) acceptable if the fee does not exceed the prevailing commission rate
 - (C) in violation of license law since all compensation must be paid at closing
 - (D) in violation of license law since compensation for real estate sales can come only from listed properties
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10. A tract of land 80 feet wide and 175 feet deep sold for \$4 per square foot, plus \$12 for each front foot. What was the price of the land?

- (A) \$56,060
- (B) \$58,100
- (C) \$168,320
- (D) \$169,660