

The CE Shop Realestate Pennsylvania Exam Answers

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

1. Errors and Omissions (E&O) coverage helps to

- (A) reduce the risks to brokers and their firms
 - (B) protect the buyer
 - (C) protect the seller
 - (D) reduce the risks to the seller after the closing
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2. The gross income multiplier (GIM) is BEST used to value

- (A) foreclosed residential real estate
 - (B) real estate owned (REO) sites
 - (C) investment properties
 - (D) federally-owned properties
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3. A principal MAY terminate an agency agreement when the

- (A) broker presents an offer that the principal considers too low
 - (B) parties mutually agree in writing
 - (C) principal dislikes one of the broker's salespersons
 - (D) agency is coupled with an interest in the property
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4. A contract in which a property manager agrees to review prospective tenants and render monthly financial statements is called a

- (A) lease
 - (B) transcript
 - (C) credit report
 - (D) management agreement
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5. With regard to security deposits, which of the following is a CORRECT statement

- (A) Security deposits are always required
 - (B) Security deposits are the property of the owner
 - (C) Leases should list the amount/kind of security deposit received
 - (D) If collected, security deposits do not have to be returned to a tenant
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6. Which one of the following transactions is regulated by Regulation Z?

- (A) An investor seeking to purchase a residential rental property
 - (B) A borrower obtaining a mortgage loan to purchase a \$410,000 home
 - (C) A business entity financing for the purchase of a company car
 - (D) A property owner applying for a \$10,000 loan to finish a commercial space
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7. What is the status of a person's license after a claim has been paid from the Real Estate Recovery Fund to settle a claim against that licensee?

- (A) Active
 - (B) Inactive
 - (C) Reinstated
 - (D) Suspended
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8. The primary purpose of CERCLA is to provide financial remedy for the cleanup of:

- (A) mold spores
 - (B) hazardous waste
 - (C) electromagnetic fields
 - (D) naturally occurring radon
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9. A property considered undesirable due to an event that has occurred there is:

- (A) clouded
 - (B) traumatized
 - (C) stigmatized
 - (D) shrouded
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10. The three types of depreciation INCLUDE physical deterioration, external obsolescence, and:

- (A) Functional obsolescence
- (B) Non-conforming value
- (C) Regression
- (D) Progressive deterioration