

Tennessee Affiliate Broker Exam

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

1. If a seller defaults a buyer's legal remedy is most likely to

- (A) cancel all contractual obligations
 - (B) receive monetary damages for losses suffered
 - (C) force the seller to complete the sales agreement
 - (D) collect punitive damages from the seller
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2. A licensee lives in a subdivision whose residents are predominantly of one religion. He has heard comments from some residents that it would be nice if the subdivision population could become entirely of that religion. The licensee is working with a family of another religion in search of a house. Should the licensee show this family a house in the subdivision in which the licensee lives?

- (A) Yes, but explain the religious preferences of the neighbors
 - (B) Yes, if the house fits the family's needs
 - (C) No, because his neighbors may be offended
 - (D) No, because the family would not like the neighborhood
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3. Which of the following provisions is most likely included in a standard exclusive right-to-sell listing agreement?

- (A) The listing licensee, if having procured the buyer before the expiration date on the listing, is to receive a commission even though negotiations were completed after the expiration date
 - (B) The listing of the house will automatically extend an additional 30 days, if the house has not been sold during the term of the listing
 - (C) The listing agency has the first right of renewal, if the house is not sold during the term of the original listing
 - (D) The seller has the right to cancel the listing contract at any time, for any reason, without any obligation to compensate the listing licensee
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4. Which of the following methods uses recent sales as the only factor to arrive at a value estimate?

- (A) cost
 - (B) sales comparison
 - (C) income
 - (D) capitalization
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5. It is permissible for the licensee to tell all clients to use this company when

- (A) it is in the best interest of the client.
 - (B) the licensee does not know any of the other title companies in the area.
 - (C) the client does not ask for other recommendations.
 - (D) the licensee discloses the interest in the company to the client.
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6. Which of the following licensees need NOT carry errors and omissions insurance, according to Tennessee real estate laws?

- (A) A principal broker of a corporate real estate firm.
 - (B) A licensee whose license is in retired status.
 - (C) A licensed affiliate broker whose firm carries liability insurance for all employees.
 - (D) An affiliate broker who works as a property manager and deals only with leasing contracts.
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7. The government will initiate a process of

- (A) accession
 - (B) negotiation
 - (C) condemnation
 - (D) escheat
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8. Which of the following is true about a competitive market analysis?

- (A) It is employed for insurance purposes.
 - (B) It is used to establish depreciable value.
 - (C) It is usually based on local tax assessment.
 - (D) It is useful to the buyer as well as to the seller.
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9. A developer purchases a large tract of agricultural land and records a subdivision plat that restricts the land to single-family residential use only. Is this restriction legal

- (A) Yes, because the property is agricultural.
 - (B) Yes, because the restriction does not violate public policy.
 - (C) No, because private restrictions cannot be placed upon rural land use.
 - (D) No, because a developer can acquire an injunction against any private deed restriction on urban or rural land.
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10. The cost approach to value, or appraisal by summation, is based on the principle of:

- (A) supply and demand.
 - (B) substitution.
 - (C) regression and progression.
 - (D) plottage.
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