

**NEBRASKA**

**FOR  
SALE**



**Real Estate  
Examination  
Program**

# **Candidate Handbook**

January 2019







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**QUESTIONS ABOUT LICENSING**

Questions regarding license application or information concerning licensure requirements should be directed to:

Nebraska Real Estate Commission  
P.O. Box 94667  
Lincoln, NE 68509-4667  
402-471-2004

**HOW TO CONTACT PSI**

For inquiries and general registration information write or call:

PSI Candidate Services  
18000 W. 105th St.  
Olathe, KS 66061-7543  
800-345-6559  
Fax: 913-895-4650  
Website: [www.goAMP.com](http://www.goAMP.com)



## INTRODUCTION

PSI Services provides a range of services to the states which use the *Real Estate Examination Program (REP)*. This booklet provides information that you will need to apply for Nebraska's real estate licensing examination. Be sure to keep the booklet after you have applied for the examination; you may wish to refer to it later.

The real estate examinations are developed through a combined effort of real estate experts and testing professionals. Real estate practitioners and educators write the questions. Experts in the fields of both real estate and testing review the questions to ensure that they are accurate in their content and representative of good question-writing procedures.

Representatives from states participating in the *PSI Real Estate Examination Program* review the questions to make certain that the content of the questions is accurate and relevant to real estate practices in their own states. Finally, all questions are revised and updated on a continual basis to reflect the current laws and practices in the changing real estate field. The examination content outline used to develop the examination is based on a job analysis and expert judgment. It reflects areas of knowledge required to perform those tasks that practicing real estate salespersons and brokers judged to be important. Real estate experts who write questions for PSI use this content outline as a guide. Thus, examinees are tested only on subjects judged by real estate brokers and salespersons as most important for beginning licensees to know.

The content outline does not include topics such as promotional skills that may be helpful to success in the industry. Since the purpose of licensure testing is to protect the consumer rather than to guarantee success in practice, the examinations focus on the knowledge you must have to protect the consumer and your ability to apply that knowledge to a consumer's particular situation. Similarly, the examinations include some technical language not used in your everyday conversations. You must learn that language to become a part of the profession and be able to explain its meaning to customers and clients.

## STATEMENT OF NONDISCRIMINATION

PSI does not discriminate among candidates on the basis of age, gender, race, religion, national origin, disability or marital status.

## EXAMINATION INFORMATION

The Nebraska Real Estate Licensing Examinations (Salesperson and Broker) are administered by PSI under a contract with the Nebraska Real Estate Commission.

## HOW THE EXAMINATION IS ADMINISTERED

The Nebraska Real Estate Salesperson and Broker Examinations are administered by computer at PSI Test Centers in Lincoln, North Platte, Omaha and Scottsbluff (see page 24). Locations and directions are also listed on the [www.goAMP.com](http://www.goAMP.com) website. The examinations are administered by appointment only Monday through Friday and select dates on Saturday.

## APPLYING FOR AN EXAMINATION

Applicants in Nebraska register for the examinations by submitting an application to the Nebraska Real Estate Commission. **Contact the Nebraska Real Estate Commission office for application forms and instructions.**

Eligibility for the examination does not imply eligibility for real estate licensure. Examination results are forwarded to the Nebraska Real Estate Commission to be used as one of the criteria for determining eligibility for licensure.

## SCHEDULING AN EXAMINATION APPOINTMENT

**AFTER YOU HAVE APPLIED FOR THE EXAMINATION AND RECEIVED NOTIFICATION OF YOUR ELIGIBILITY FROM THE NEBRASKA REAL ESTATE COMMISSION,**

you may register for the Nebraska Real Estate Examination by one of the following methods:

1. **Online Scheduling:** Go to [www.goAMP.com](http://www.goAMP.com) at any time and select "Candidates." Follow the simple, step-by-step instructions to choose your examination program and register for the examination.

OR

2. **Telephone Scheduling:** Call PSI at 800-345-6559 to schedule an examination appointment. This toll-free number is answered from 7:00 a.m. to 9:00 p.m. (Central Time) Monday through Thursday, 7:00 a.m. to 7:00 p.m. on Friday and 8:30 a.m. to 5:00 p.m. on Saturday.

When you contact PSI to schedule an appointment, please be prepared to confirm a date and location for testing and to provide your name and Social Security number. Note: Your Social Security number is required for unique identification. All individuals are scheduled on a first-come, first-served basis. Refer to the following chart.

If you contact PSI by 3:00 p.m. Central Time on...	Depending on availability, your examination may be scheduled beginning...
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday/Saturday
Thursday	Monday
Friday	Tuesday

You will be notified of the time to report to the Test Center. You will only be allowed to take the examination type for which you have applied; no changes in examination type will be made at the Test Center. **UNSCHEDULED CANDIDATES (WALK-INS) WILL NOT BE ADMITTED** to the Test Center.

## ■ Examination Registration Form

Your examination registration remains valid for 12 months after it has been processed and will expire without further notice at that time.

## ■ Examination Reregistration

If you have allowed your examination registration to expire or were unsuccessful in your examination attempt, you will need to reapply through the Nebraska Real Estate Commission.

## ■ Special Arrangements for Candidates with Disabilities

PSI is interested in ensuring that no individual with a disability is deprived of the opportunity to take the examination solely by reason of that disability. PSI will provide reasonable accommodations for candidates with disabilities.

*Please inform PSI of your need for special accommodations when making application with the Nebraska Real Estate Commission and when scheduling your examination appointment.* Be prepared to provide documentation from an appropriate professional. The *Request for Special Examination Accommodations* form is located on pages 15-16.

Candidates requesting special accommodations will be required to submit documentation of their disability by fax or mail prior to being scheduled for an examination. All special arrangements will be made on an individual basis.

## EXAMINATION APPOINTMENT CHANGES

You may reschedule an examination appointment once at no charge online at [www.goAMP.com](http://www.goAMP.com) or by calling PSI at 800-345-6559 at least **two business days prior to the scheduled testing session**. (See following table.) See "Holidays" on page 24 for observed holidays.

If your examination is scheduled on...	You must contact PSI by 3:00 p.m. Central Time to reschedule the examination by the previous...
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday
Thursday	Monday
Friday/Saturday	Tuesday

## MISSED APPOINTMENTS AND FORFEITURES

You will forfeit the examination fee paid to take the examination under the following circumstances. A complete examination fee is required to reapply for the examination.

- You wish to reschedule an examination but fail to contact PSI at least two business days prior to the scheduled testing session.
- You wish to reschedule a second time.
- You appear more than 15 minutes late for an examination.
- You fail to report for an examination appointment.
- You fail to provide the identification required and are denied admittance to the examination.

## INCLEMENT WEATHER, POWER FAILURE OR EMERGENCY

In the event of inclement weather or unforeseen emergencies on the day of an examination, PSI will determine whether circumstances warrant the cancellation, and subsequent rescheduling, of an examination. The examination will usually not be rescheduled if the Test Center personnel are able to open the Test Center.

You may visit [www.goAMP.com](http://www.goAMP.com) prior to the examination to determine if PSI has been advised that any Test Centers are closed. Every attempt is made to administer the examination as scheduled; however, should an examination be canceled at a Test Center, all scheduled candidates will receive notification following the examination regarding rescheduling or reapplication procedures.

If power to a Test Center is temporarily interrupted during an administration, your examination will be restarted. The responses provided up to the point of interruption will remain intact but for security reasons the questions will be scrambled.

## REFUNDS

If you fail to arrive at the Test Center on the date and time you are scheduled for examination, you will not be refunded any portion of your examination fee and must reregister by contacting the Nebraska Real Estate Commission; examination fees may NOT be transferred to another appointment.

**If you arrive more than 15 minutes late for an appointment, you will not be admitted, will forfeit your examination fee, and must reregister for the examination by contacting the Nebraska Real Estate Commission.**

## PREPARING FOR THE EXAMINATION

The study and test-taking advice described here may be helpful as you prepare for the examination. Try to be objective about your individual learning needs when deciding how best to study. Plan your study schedule well in advance. Use learning techniques, such as reading or audiovisual aids. Be sure you find a quiet place to study where you will not be interrupted. We suggest you concentrate your study efforts on a few carefully chosen textbooks.

## ■ Test-taking Advice

1. The examination will be timed and the computer will indicate the time remaining on the screen. If you find it distracting, the time feature may be turned off during the examination. If you choose to turn off the time feature, you should pace yourself by periodically checking your progress. This will allow you to make any necessary adjustments. Remember, the more questions you answer, the better your chances of achieving a passing score. The time limit is intended to allow you to complete the entire examination by working quickly and efficiently.
2. Be sure to answer each question, even the ones for which you are uncertain. Avoid leaving any questions unanswered; this will maximize your chances of passing. It is better to guess than to leave a question unanswered; there is no penalty for guessing.

Not everyone passes the examination on the first attempt. If you do not pass the examination, you may wish to consider the following suggestions:

1. Study concepts and vocabulary, not questions. Each examination includes different questions. Since you have previously taken the examination, you have seen all of the types of questions that may be asked. If simply reading the definition of a word does not adequately explain its meaning to you, look up the word in the index of the textbook you are reading and study the word in the context in which it is presented in the textbook.
2. Audit classes at the school you attended to meet a prelicense education requirement. Audit particularly those classes covering areas in which your examination results indicated you may have a weakness.
3. Attend a review at a school other than the school you attended to meet a prelicense education requirement. While the school you originally attended may have an excellent program, sometimes simply a different approach to the same material by another instructor can make the information clear to you.
4. Take the examination not more than a few weeks after you have completed an education program. If a great deal of time has elapsed between the time you completed the course and the examination, you may benefit from taking a refresher course.

5. Purchase a sample examination from PSI. This sample examination covers only the National Salesperson portion of the examination, but it is composed of questions that are *comparable* to those given in past years and those to be included in future versions. The web-based version of this examination will provide you with a complete overview of both the examination format and content for the National Salesperson portion of the examination.
6. Tutors are available in most areas of the state to help persons who think they may benefit from personal instruction. Contact the school you attended and ask its director or instructor if they know of a tutor whom you might contact for individual assistance.
7. Some people feel that the process of getting to the Test Center, getting admitted and reading instructions creates such anxiety that they are unable to do their best on an examination despite knowing the material well. If you are among that group, try the following alternatives:
  - a. Drive to the Test Center before the date of the examination so that you know how to get there.
  - b. If you must travel a great distance to the Test Center, spend the night before the examination in a motel near the site so that you do not get delayed in traffic.
  - c. Complete all of your study for the examination before 6:00 p.m. of the day before the examination. Have a leisurely dinner. Get a good night's sleep. Do not try to cram in last minute studying during the night before the examination or the morning of the examination.
  - d. When you begin taking the examination, if the first few questions seem difficult, do not worry. Skip over them until you come to questions which seem easier to you. The computer makes it easy to return to an unanswered question at any time. Make sure you answer every question.

## EXAMINATION CONTENT

The Nebraska Real Estate Salesperson Examination consists of two portions. Candidates taking the examination for the first time must take both portions during the same session. The time allowed for the national portion is 2½ hours and the time allowed for the state portion is 1½ hours. After completing the first portion, candidates may start immediately on the second portion, or may take up to a 10-minute break, at which time the second portion will automatically start.

## ■ Salesperson Examination

The National Salesperson examination is based upon seven major content areas. Each of the content areas is briefly described on this page, and a detailed content outline is included in the back of this handbook. In addition, the number of questions devoted to the Salesperson examination is indicated for each major content area. The National Salesperson examination is composed of 100 multiple-choice questions that are used to compute your score. In addition to the questions used to compute your score, the examination may include five questions that are being “pretested” for use in future versions of the examination. These pretest questions are not identified, and your answers to them do not affect your score.

### National Salesperson Portion (for candidates testing through April 30, 2019)

Topic	Number of Questions
1. Agency Relationships and Contracts	28
2. Real Property Ownership/Interest	13
3. Finance	14
4. Real Property	14
5. Marketing Regulations (purchase and rental)	10
6. Property Management	8
7. Real Estate Calculations	13

**For candidates testing through April 30, 2019, please refer to the Detailed Content Outline beginning on page 17 for more information. Candidates scheduled to test starting May 1, 2019 should refer to the Detailed Content Outline beginning on page 19.**

## STATE SALESPERSON PORTION

The Nebraska Real Estate Salesperson examination deals with topics relating particularly to Nebraska real estate license law. There are 50 multiple-choice questions on the salesperson examination. In addition to the items used to compute your score, the examination may include five items that are being “pretested” for use in future versions of these examinations. These pretest items are not identified, and your answers to them do not affect your score. The following content outline describes the topics covered by the state salesperson examination.

## State Salesperson Content Outline

1. Duties and Powers of the Real Estate Commission
  - A. General Powers; Real Estate Commission Membership
  - B. Investigations, Complaints and Hearings
  - C. Sanctions, License Suspension and Revocation, Misdemeanor
2. Licensing Requirements
  - A. Activities Requiring a License
  - B. License Renewal
  - C. Handling of Licenses
3. Statutory Requirements Governing the Activities of Licensees
  - A. Advertising
  - B. Broker/Salesperson Relationship; Broker Supervision of Salespersons
  - C. Commissions
  - D. Disclosure/Conflict of Interest
  - E. Preparation and Handling of Offers and Other Documents
  - F. Funds of Others/72-Hour Rule
  - G. Listings
  - H. Closings
  - I. Offering Inducements
  - J. Unauthorized Practice of Law
  - K. Licensee/Public Responsibility
  - L. Cooperative Transactions
  - M. Illegal Acts
4. Additional Requirements
  - A. Securities
  - B. Fair Housing Laws
  - C. Closing Statements

The computer monitors the time you spend on the examination. The examination will terminate if you exceed the time allowed. You may click on the Time box in the lower right portion of the screen to monitor your time. A digital clock indicates the time remaining for you to complete the examination. The Time feature may be turned off during the examination.

Only one examination question is presented at a time. The question number appears in the lower right portion of the screen. Choices of answers to the examination questions are identified as A, B, C or D. You must indicate your choice by either typing in the letter in the response box in the lower left portion of the computer screen or clicking on the option using the mouse. To change your answer, enter a different option by typing in the letter in the response box or by clicking on the option using the mouse. You may change your answer as many times as you wish during the examination time limit.

To move to the next question, click on the forward arrow (>) in the lower right portion of the screen. This action will move you forward through the examination question by question. If you wish to review any question, click the backward arrow (<) or use the left arrow key to move backward through the examination.

An examination question may be left unanswered for return later in the examination session. Questions may also be bookmarked for later review by clicking in the blank square to the right of the Time button. Click on the double arrows (>>) to advance to the next unanswered or bookmarked question on the examination. To identify all unanswered and bookmarked questions, repeatedly click on the double arrows (>>). When the examination is completed, the number of examination items answered is reported. If not all questions have been answered and there is time remaining, return to the examination and answer those questions. Be sure to provide an answer for each examination question before ending the examination. There is no penalty for guessing.

## Taking the Multiple-Choice Salesperson Examination



The most typical purpose of a deed restriction is to

- A ensure that the property will not become encumbered.
- B encourage varied uses of the property.
- C control future uses of the property.
- D limit costs of new houses in a subdivision.

## Candidate Comments

During the multiple-choice examination, you may make comments for any question by clicking on the Comment button to the left of the Time button. This opens a dialogue box where comments may be entered. Comments will be reviewed, but individual responses will not be provided.



## ■ Sample Questions

The following illustrate the type of questions used in the National Salesperson examination. These sample questions do not represent the full range of content or difficulty levels contained in the examinations. They are intended to help you become familiar with the types and formats of questions on the examination. Read each question and decide which answer is best. You may then check your answers with the answer key that follows. The answer key also shows the topic being tested; the topic refers to the content outline included in the back of this handbook.

### SALESPERSON EXAMINATION SAMPLE QUESTIONS

- Baird bought two rectangular lots, each of which measures 244' x 250'. Approximately how many total acres will be in the two lots combined?
  - 2.8
  - 3.2
  - 5.6
  - 7.0
- A person has been using a property for a long time. That person's rights have been determined to supersede those of the fee simple owner. This is called which of the following?
  - escheat
  - homestead
  - eminent domain
  - adverse possession
- A property has been condemned by the city so that the land can be used to build a better approach to the municipal hospital's emergency entrance. Which of the following powers is the city exercising?
  - power of attorney
  - police power
  - eminent domain
  - escheat
- A salesperson deliberately shows a buyer homes in only one subdivision where many people of the buyer's religious faith live. Has the salesperson violated any law?
  - Yes, because a salesperson must show a prospective buyer homes in at least three different areas.
  - Yes, because a salesperson cannot discriminate on the basis of religion when showing property to a buyer.
  - No, because the salesperson's broker is responsible for any violations of law.
  - No, because there was no intent to discriminate on the basis of race or national origin.

- A licensee who works for ABC Realty obtains a listing. Two days later, the licensee begins working for XYZ Realty. Which of the following is true regarding this listing?
  - The listing is transferred to XYZ Realty.
  - The licensee is entitled to compensation when she begins working for XYZ Realty.
  - The listing remains with ABC Realty.
  - The listing is automatically terminated.

#### Salesperson Answer Key

Item #	Key	Topic*
1.	A	7I
2.	D	4E8
3.	C	2F4
4.	B	5B4
5.	C	1D1

\* Refer to detailed content outline in the back of this handbook.

## ■ National Real Estate Salesperson Sample Examination

The Sample National Real Estate Salesperson Examination is available in web-based format. To order the online sample examination, please visit [www.goAMP.com](http://www.goAMP.com) and click on "E-Store," "Web Tests" and "Real Estate." Two versions of the web-based Sample Examination are available. The cost of the basic version is \$15. The cost of the enhanced version that provides detailed explanations of the answers is \$25. Both are available with payment by credit card through the online store. No duplication of the sample examination is allowed. The sample examination is copyrighted by PSI Services.

## ■ Broker Examination

### MULTIPLE-CHOICE BROKER PORTION

The Nebraska multiple-choice portion consists of 50 national questions and 25 state questions. The multiple-choice portion contains up to five pretest questions that will not be included in your total score. You will have 90 minutes to complete the multiple-choice portion of the Broker Examination.

**For candidates testing through April 30, 2019, please refer to the National Broker Multiple-Choice Content Outline on Page 8 and National Broker Simulation Examination Content Outline on Page 9 for more information. Candidates scheduled to test starting May 1, 2019 should refer to the Detailed Content Outline beginning on page 19.**

## National Broker Multiple-Choice Content Outline (for candidates testing through April 30, 2019)

	<u>Number of Questions</u>
1. Agency Relationships and Contracts	13
2. Real Property Ownership/Interest	7
3. Finance	8
4. Real Property	7
5. Marketing Regulations (purchase and rental)	4
6. Property Management	4
7. Real Estate Calculations	7

## State Broker Multiple-Choice Content Outline

- I. Duties and Powers of the Real Estate Commission
  - A. General Powers; Real Estate Commission Membership
  - B. Investigations, Complaints and Hearings
  - C. Sanctions, License Suspension and Revocation, Misdemeanor
- II. Licensing Requirements
  - A. Activities Requiring a License
    1. Auctioning
    2. Property Management
    3. Exemptions
    4. License Required to Appraise
  - B. *Nonresident License Reciprocal Agreements*
  - C. License Renewal
  - D. Handling of Licenses
- III. Statutory Requirements Governing the Activities of Licensees
  - A. Advertising
  - B. Broker/Salesperson Relationship; Broker Supervision of Salespersons
  - C. Commissions
  - D. Disclosure/Conflict of Interest
  - E. Preparation and Handling of Offers and Other Documents
  - F. Funds of Others/72-Hour Rule
  - G. Listings
  - H. Closings
  - I. *Branch Office, License Transfer*
  - J. Offering Inducements
  - K. Unauthorized Practice of Law
  - L. Licensee/Public Responsibility
  - M. Cooperative Transactions
  - N. Illegal Acts
  - O. *Trust Accounts*
  - P. *Record Keeping*
- IV. **Additional Requirements**
  - A. *Statutory Requirements Governing Subdivided or Out-of-State Land Sales*
  - B. Securities
  - C. Fair Housing Laws
  - D. Closing Statements

## ■ National Broker Simulation Portion

The National Broker Examination is presented in simulation problem format and consists of 10 simulation problems. Nine of these problems will be used to compute your score. The other problem is not scored and is being pretested for future examinations.

**Effective starting May 1, 2019, the National Broker Simulation Portion will be replaced with scenario-based questions within the multiple-choice Broker Examination. Please see Sample Broker Questions (Scenario-Based) following the Detailed Content Outline on page 22.**

Each simulation problem will have a designated primary issue and property type. Each section within a problem will carry a secondary topic for that section. The primary issue and property type will remain consistent throughout the simulation problem, but the secondary topic can change with each section of the problem. The distribution of issues and property types is given in the Broker Simulation Examination Content Outline.

Each problem will consist of three components: Scenario, Information Gathering (IG) sections and Decision Making (DM) sections. Each problem begins with a scenario. The scenario provides the setting and introductory client information (e.g., age, gender, presenting problem(s)).

In Information Gathering (IG) sections you are to gather all relevant information for answering the question. Read all responses before selecting the responses that you consider necessary for responding to the question. You should select all options that are appropriate at the time. If you select more or fewer answer options than are appropriate, this will adversely impact your information gathering score.

Decision Making (DM) sections provide opportunities for making judgments or decisions. These sections may be formatted in one of two ways:

1. Single Best Option – There may be more than one acceptable option, but one option is generally regarded most acceptable.
2. Multiple Options – Several options are considered appropriate. These sections address decisions in which a combination of actions is required.

In the decision making section described in 1 above, the instructions will be to 'CHOOSE ONLY ONE' option. You should not assume that your response is incorrect if you are directed to make another selection. The simulation examination format sometimes uses this direction. The multiple option type of decision making described in 2 will have instructions to 'SELECT AS MANY' options as are appropriate in the situation.

**National Broker Simulation  
Examination Content Outline  
(for candidates testing through April 30, 2019)**

<b>Primary Issues:</b>	<u># of Problems</u>
1. Agency Relationships and Property Representations	3
2. Fair Housing and Other Governmental Regulations	2
3. Handling Money	2
4. Training and Supervision of Licensees	1
Plus one primary issue varying by examination form	1
<b>Section Topics:</b>	
A. Agency	
B. Contracts	
C. Freehold and Leasehold	
D. Property Management	
E. Finance	
F. Government Regulations and Private Restrictions	
G. Description and Measurement	
H. Valuation	
I. Conveyance	
J. Calculations	
K. Ethical Behavior (must be incorporated in at least 4 problems)	
<b>Property Types:</b>	
	<u># of Problems</u>
1. Residential	4
2. Commercial	2
3. Property Management	1
Plus two property types varying by examination form	2

**National Real Estate Broker Simulation  
Sample Examination**

The National Real Estate Broker Simulation Sample Examination is available in web-based format. The sample examination includes four problems that are similar to those found on the National Broker Simulation Examination for those states using this testing format. The sample examination is purchased and taken online at the convenience of the purchaser. To order the online sample examination, please visit [www.goAMP.com](http://www.goAMP.com) and click on "E-Store," "Web Tests" and "Real Estate." The cost of the sample examination is \$25. The sample examination is available with payment by credit card through the online store. No duplication of the sample examination is allowed. The sample examination is copyrighted by PSI Services.

**Taking the Simulation Examination**

Three windows appear on the screen at all times during a simulation examination (see Figure 1). The **Scenario Window** section is displayed across the top of the screen; your picture is displayed in the upper right portion of this window. Each simulation begins with a brief paragraph in this window that provides preliminary information about the situation; subsequent sections contain information about the changing situation. A scroll bar is available when necessary to view all text. Each **Scenario Window** will also provide you with specific instructions about whether to "CHOOSE ONLY ONE" response in the section or to "SELECT AS MANY" responses as appropriate to gather information.

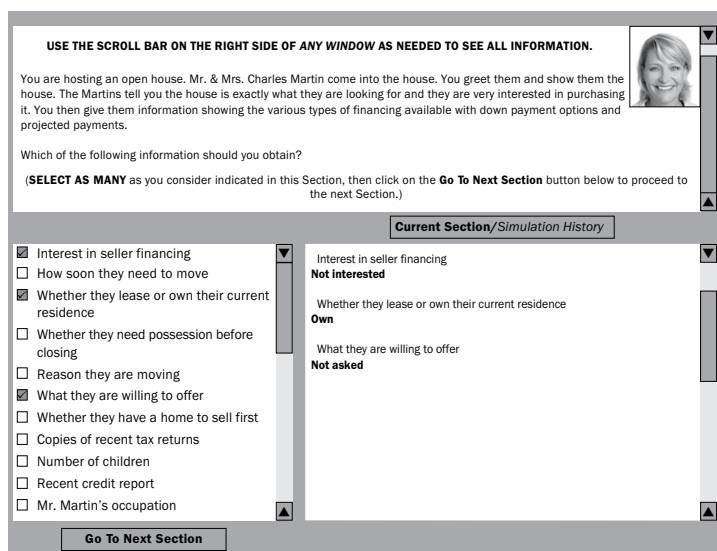


Figure 1. Sample computerized simulation screen layout – Three windows appear on the screen at all times during a simulation examination.

The **Options Window** is displayed as the lower left portion of the screen and contains all options (choices or possible responses) from which to choose in the current section. A scroll bar is also available when necessary to view all options.

The **Simulation History Window** is displayed as the lower right portion of the screen. This window can be displayed in two formats using the button labeled "Current Section/Simulation History" located at the top of this window. When in the "Current Section" mode, the options chosen in the current section and the results for each choice are displayed in this window. When in the "Simulation History" mode, the scenarios from all previous sections as well as the options chosen and their results are displayed in the window. A scroll bar is available on the right side of this window to review previous scenarios and/or options and results.

Once you have read the scenario for each section and determined which option(s) are appropriate for selection, you can simply click the box to the left of the option to

“choose” it. Immediately, the option selected and the results for that option appear in the right-hand **Simulation History Window**. After you select or “choose” an option, **you cannot reconsider and “unselect” it, since the information from that option has been revealed.**

In sections where you are instructed to “SELECT AS MANY as you consider indicated,” you should select all of the options believed appropriate at the time and then click the “Go To Next Section” button at the bottom left of the screen to continue to the next section. A dialog box will appear requesting that you confirm your wish to continue to the next section and warning that returning to this section to make additional choices will not be possible. By selecting “Yes,” the software automatically takes you to the next section of the simulation.

In sections where you are instructed to “CHOOSE ONLY ONE unless directed to make another selection,” you should carefully review each option and then choose the one best option. A dialog box will then appear to present the results for the choice or request that you select another response in the section.

A “Help Screen” will be accessible to you throughout the simulation examination to explain how to navigate through the examination.

## THE DAY OF THE EXAMINATION

Your examination will be given by computer at a PSI Test Center. You do not need any computer experience or typing skills to take your examination. On the day of your examination appointment, report to the Test Center no later than your scheduled testing time. Look for signs indicating PSI Test Center Check-in. **IF YOU ARRIVE MORE THAN 15 MINUTES AFTER THE SCHEDULED TESTING TIME, YOU WILL NOT BE ADMITTED.**

### ■ Identification

To gain admission to the Test Center, you must present two forms of identification. The primary form must be government issued, current and include your name, signature and photograph. No form of temporary identification will be accepted. You will also be required to sign a roster for verification of identity.

- Examples of valid primary forms of identification are: driver’s license with photograph; state identification card with photograph; passport; military identification card with photograph.
- The secondary form of identification must display your name and signature for signature verification (e.g., credit card with signature, social security card with signature, employment/student ID card with signature).

- If your name on your registration is different than it appears on your identification, you must bring proof of your name change (e.g., marriage license, divorce decree or court order).

**YOU MUST HAVE PROPER IDENTIFICATION TO GAIN ADMISSION TO THE TEST CENTER.** Failure to provide appropriate identification at the time of the examination is considered a missed appointment. There will be no refund of your examination fee.

## RULES FOR THE EXAMINATION

### ■ Security

PSI administration and security standards are designed to ensure all candidates are provided the same opportunity to demonstrate their abilities. The Test Center is continuously monitored by audio and video surveillance equipment for security purposes.

The following security procedures apply during the examination:

- Examinations are proprietary. No cameras, notes, tape recorders, pagers or cellular phones are allowed in the examination room. Possession of a cellular phone or other electronic devices is strictly prohibited and will result in dismissal from the examination.
- No programmable calculators are permitted. Only silent, hand-held, solar-or battery-operated calculators without paper tape-printing capabilities or alphabetic keypads, may be used. Financial calculators are allowed if they meet these specifications. Calculator malfunction during an examination does not constitute grounds for challenging examination scores or requesting additional examination time.
- No guests, visitors or family members are allowed in the examination room or reception areas.

### ■ Personal Belongings

No personal items, valuables or weapons should be brought to the Test Center. Only wallets and keys are permitted. Coats must be left outside the testing room. You will be provided a soft locker to store your wallet and/or keys with you in the testing room. You will not have access to these items until after the examination is completed. Please note the following items will not be allowed in the testing room except securely locked in the soft locker:

- watches
- hats
- wallets
- keys

Once you have placed everything into the soft locker, you will be asked to pull out your pockets to ensure they are empty. If all personal items will not fit in the soft locker you will not be able to test. The site will not store any personal belongings.

If any personal items are observed in the testing room after the examination is started, you will be dismissed and the administration will be forfeited.

## ■ Examination Restrictions

- Pencils will be provided during check-in.
- You will be provided with one piece of scratch paper at a time to use during the examination, unless noted on the sign-in roster for a particular candidate. You must return the scratch paper to the supervisor at the completion of testing, or you will not receive your score report.
- No documents or notes of any kind may be removed from the Test Center.
- No questions concerning the content of the examination may be asked during the examination.
- Eating, drinking or smoking will not be permitted in the Test Center.
- You may take a break whenever you wish, but you will not be allowed additional time to make up for time lost during breaks.

## ■ Misconduct

If you engage in any of the following conduct during the examination you may be dismissed, your scores will not be reported and examination fees will not be refunded.

Examples of misconduct are when you:

- create a disturbance, are abusive or otherwise uncooperative;
- display and/or use electronic communications equipment such as pagers, cellular phones;
- talk or participate in conversation with other examination candidates;
- give or receive help or are suspected of doing so;
- leave the Test Center during the administration;
- attempt to record examination questions or make notes;
- attempt to take the examination for someone else;
- are observed with personal belongings, or
- are observed with notes, books or other aids without it being noted on the roster.

## ■ Copyrighted Examination Questions

All examination questions are the copyrighted property of PSI. It is forbidden under federal copyright law to copy, reproduce, record, distribute or display these examination

questions by any means, in whole or in part. Doing so may subject you to severe civil and criminal penalties.

## ■ Computer Login

After your identification has been confirmed, you will be directed to a testing carrel. You will be instructed on-screen to enter your Social Security number. Your photograph, taken before beginning the examination, will remain on-screen throughout your examination session. This photograph will also print on your score report.

## ■ Practice Examination

Prior to attempting the examination, you will be given the opportunity to practice taking an examination on the computer. The time you use for this practice examination is NOT counted as part of your examination time or score. When you are comfortable with the computer testing process, you may quit the practice session and begin the timed examination.

## ■ Timed Examination

Following the practice examination, you will begin the actual examination. Before beginning, instructions for taking the examination will be provided on-screen. The following time limits will be in effect for each examination.

<u>Examination</u>	<u>Time Allotted</u>
Salesperson National portion	2½ hours
Salesperson State portion	1½ hours
Broker (multiple-choice portion)	1½ hours
Broker (simulation portion)	2½ hours

## FOLLOWING THE EXAMINATION

### ■ How Passing Scores are Determined

#### • Multiple-Choice Examination

The minimum score required to pass the multiple-choice portions is determined by using a process known as the Angoff method, in which subject-matter experts estimate the difficulty of each item on the examination for the “minimally competent practitioner” (MCP). These judgments are averaged to determine the minimum passing score, which represents the amount of knowledge an MCP would likely demonstrate on the examination.

#### • Simulation Examination

The passing score for the simulation examination is determined using a method similar to that described for multiple-choice portions. Each section in a simulation was evaluated by content experts when the problem was developed. A minimum passing level (MPL) was established for the section using the scoring weights assigned to the options in that section and represents the

level of performance expected of a “minimally competent practitioner.” The overall examination has an Information Gathering (IG) MPL and a Decision Making (DM) MPL, which represent the sums of the MPLs of all IG and DM sections on the examination.

## • Equating

A statistical process called equating is used to ensure consistency in the meaning of the score required to pass an examination. If the raw passing score varies slightly between different versions (or “forms”), the level of knowledge required to achieve the passing score remains the same, thus assuring that all candidates are treated fairly.

## ■ Your Salesperson Examination Score Report

After you have completed the Salesperson examination, you will be instructed to report to the testing supervisor to receive your score report. Your score report will show your result for your examination and will give diagnostic scoring information for any portion you did not pass. To be eligible to apply for a salesperson license in Nebraska, you must pass both the National and State portions within the next three attempts or six months.

The passing score for the national portion of the examination is 70 correct answers, and the passing score for the state portion is 38 correct answers.

## ■ Your Broker Examination Score Report

After you have completed the Broker examination, you will be instructed to report to the testing supervisor to receive your score report. Your score report will show your result for your examination and will give diagnostic scoring information for any portion you did not pass. **To be eligible to apply for a broker license in Nebraska, you must pass both the national simulation and multiple-choice portions of the examination in the same testing attempt.**

For the national simulation portion of the examination, you will score points for Information Gathering (IG) sections and for Decision Making (DM) sections. The sum of your scores on all IG sections is reported as your IG total raw score, and the sum of your scores on all DM sections is reported as your DM total raw score. Your total raw scores must meet or exceed the MPL in both IG and DM to pass this examination.

The passing score for the multiple-choice portion of the examination is 56 correct answers.

## ■ Score Averaging

Your total score on Multiple-Choice Examinations is not the average of the subscores provided for each of the major content areas. Some content areas contain larger numbers of questions than others. Your total percentage score reflects the number of questions that you answered correctly divided by the total number of questions.

## ■ If You Pass the Examination

If you pass the examination, you will receive a score report and instructions for applying for a license. Examination results are forwarded to the Nebraska Real Estate Commission to be used as one of the criteria for determining eligibility for licensure.

## ■ If You Fail the Examination

If you do not achieve a passing score, your score report will indicate your scores and reapplication instructions. **To retake this examination, you will need to reapply through the Nebraska Real Estate Commission.** Contact the Commission for further information about reapplying for the examination.

**If you pass one portion of the Salesperson examination you will need to wait until the next day or later to be rescheduled for the failed portion.** You must pass the other portion within the next three attempts or six months, whichever comes first. If you do not pass the second portion within the next three attempts or six months, you must take the full examination until you pass all or one part of it, in which case the retention schedule starts over.

## ■ If You Do Not Appear for Testing

If you miss your appointment, you must reapply for another examination, forfeiting the fee for the examination that you missed and submitting the fee for the examination for which you will be scheduled. To reapply, contact the Nebraska Real Estate Commission.

## ■ Duplicate Score Report

Requests for a duplicate score report must be made in writing within one year of the examination date. Complete the request form enclosed in this booklet, include a check or money order for \$25.00 per copy (made payable to PSI Services Inc.), and mail your request to PSI. Duplicate score reports will be processed and mailed within approximately five business days following receipt of the request.

## ■ Release of Applicant Names for Mailing Purposes

Your name will be released for mailing purposes. In Nebraska this is public information, and it is not optional.

## DUPLICATE SCORE REPORT REQUEST FORM FOR NEBRASKA REAL ESTATE EXAMINATION

**DIRECTIONS:** Use this form to request a duplicate score report. Complete all requested information. This form must be received within one year of the examination date and include a check or money order payable to PSI Services Inc. for \$25.00 per copy. Duplicate score reports will be processed and mailed within approximately five business days following receipt of the request.

Name: \_\_\_\_\_ Social Security #: \_\_\_\_\_

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

\_\_\_\_\_ Daytime Phone: \_\_\_\_\_

Test Taken:  Salesperson  Broker Examination Date: \_\_\_\_\_ Test Center: \_\_\_\_\_

I hereby authorize PSI to send me a duplicate of my examination results.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

PSI  
18000 W. 105th St.  
Olathe, KS 66061-7543  
(800) 345-6559







# REQUEST FOR SPECIAL EXAMINATION ACCOMMODATIONS

If you have a disability covered by the Americans with Disabilities Act, **please complete this form and provide the Documentation of Disability-Related Needs on the next page and submit both pages with your application at least 45 days prior to your requested examination date.** The information you provide and any documentation regarding your disability and your need for accommodation in testing will be treated with strict confidentiality.

## Candidate Information

Candidate ID # \_\_\_\_\_ Requested Test Center: \_\_\_\_\_

\_\_\_\_\_  
Name (Last, First, Middle Initial, Former Name)

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Daytime Telephone Number Email Address

## Special Accommodations

I request special accommodations for the \_\_\_\_\_ examination.

Please provide (check all that apply):

- Reader
- Extended testing time (time and a half)
- Reduced distraction environment
- Please specify below if other special accommodations are needed.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### PLEASE READ AND SIGN:

I give my permission for my diagnosing professional to discuss with PSI staff my records and history as they relate to the requested accommodation.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Return this form to:**  
**PSI, 18000 W. 105th St., Olathe, KS 66061-7543, Fax 913-895-4650.**  
**If you have questions, call Candidate Services at 800-345-6559.**



## DOCUMENTATION OF DISABILITY-RELATED NEEDS

Please have this section completed by an appropriate professional (education professional, physician, psychologist, psychiatrist) to ensure that PSI is able to provide the required accommodations.

### Professional Documentation

I have known \_\_\_\_\_ since \_\_\_\_ / \_\_\_\_ / \_\_\_\_ in my capacity as a  
Candidate Name Date

\_\_\_\_\_  
My Professional Title

The candidate discussed with me the nature of the examination to be administered. It is my opinion that, because of this candidate's disability described below, he/she should be accommodated by providing the special arrangements listed on the Request for Special Examination Accommodations form.

Description of Disability: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed: \_\_\_\_\_ Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

Date: \_\_\_\_\_ License # (if applicable): \_\_\_\_\_

**Return this form to:**  
**PSI, 18000 W. 105th St., Olathe, KS 66061-7543, Fax 913-895-4650.**  
**If you have questions, call Candidate Services at 800-345-6559.**

**DETAILED CONTENT OUTLINE  
EFFECTIVE THROUGH APRIL 30, 2019**

- 1. Agency Relationships and Contracts 28 (11-15-2)**
  - A. Agency Relationships (6)**
    1. Creating Agency
    2. Types of Agency (including implied agency)
    3. Rights, Duties and Obligations of the Parties
    4. Termination and Remedies for Non-Performance
    5. Disclosure (related to representation)
  - B. General Legal Principles, Theory and Concepts about Contracts (8)**
    1. Unilateral / Bilateral
    2. Validity
    3. Void and Voidable
    4. Notice of Delivery / Acceptance
    5. Executory / Executed
    6. Enforceability
    7. Addenda to Contracts
    8. Electronic Signatures / Paperless Transactions
  - C. Purchase Contracts (Contracts between Seller and Buyer) (7)**
    1. General Principles and Legal Concepts
    2. Purchase Contract (contract of sale, purchase and sale agreement, etc.)
    3. Options (contractual right to buy)
    4. Basic Provisions / Purpose / Elements
    5. Conditions for Termination / Breach of Contract
    6. Offer and Acceptance (counter offers, multiple offers, negotiation)
    7. Contingencies
    8. Duties and Obligations of the Parties
    9. Handling Funds of Others (trust/escrow funds, earnest money, delivery)
  - D. Service/Listing Buyer Contracts (Contracts between Licensee and Seller or Buyer) (7)**
    1. General Principles and Legal Concepts
    2. Basic Provisions / Purpose / Elements
    3. Duties and Obligations of the Parties
    4. Conditions for Termination/Breach of Contract
    5. Remuneration / Consideration / Fees
    6. Types of Service / Listing Contracts
- 2. Real Property Ownership/Interest 13 (5-8-0)**
  - A. Rights of Ownership (1)**
  - B. Types of Ownership (estates in land) (2)**
    1. Joint Tenancy
    2. Tenancy in Common
    3. Trusts
    4. Condominiums
  - C. Leasehold Interest (1)**
    1. Basic Concepts and Terminology
    2. Types of Leases
    3. Basic Elements and Provisions of Leases
    4. Rights and Duties of the Parties
    5. Remedies for Default / Non-Performance
  - D. Forms of Business Ownership (1)**
    1. Sole Proprietorship
    2. Corporation
    3. General or Limited Partnership
    4. LLC
- 3. Finance 14 (5-8-1)**
  - A. Basic Concepts and Terminology (4)**
    1. Equity
    2. Loan-to-Value Ratio
    3. Term and Payment
    4. Principal and Interest
    5. Direct and Indirect Costs (points, discounts)
    6. Return on Investment / Rate of Return
  - B. Methods of Financing (3)**
    1. Government Programs (e.g., FHA, VA)
    2. Conventional
    3. Owner-financed
    4. Land Contract / Contract for Deed
  - C. Financing Instruments (Mortgages, Trust Deeds, Promissory Notes) (2)**
    1. Basic Elements and Provisions of Financing Instruments
    2. Legal Principles
    3. Non-Performance (e.g., foreclosure, default)
  - D. Government Oversight (4)**
    1. RESPA
    2. Regulation Z
    3. Truth-in-Lending Act
    4. Antitrust
    5. Mortgage Fraud
    6. Equal Credit Opportunity Act
    7. Dodd-Frank Act (TILA-RESPA Integrated Disclosure (TRID) rule)
  - E. Lending Process (1)**
    1. Pre-approval and Pre-qualification (e.g., debt ratios, credit scoring and history)
    2. Parties to the Lending Process (e.g., loan originator, underwriter, mortgage broker)
    3. Short Sale
- E. Private Restrictions on Real Property/Land Use and Matters Affecting Ownership (4)**
  1. Liens
    - a. Voluntary
    - b. Involuntary
    - c. Priority
  2. Easements / Rights of Way / Licenses
  3. Preexisting Leases
  4. Encroachment
  5. Deed Conditions, Covenants, and Restrictions
  6. Property Owner Associations
- F. Government Powers and Control of Land Use (4)**
  1. Americans with Disabilities Act (ADA)
  2. Land Use Restrictions and Regulations (i.e., zoning)
  3. Property Taxation
  4. Subdivision / Planned Unit Regulations (e.g., condominiums, cooperatives, planned unit developments)

## DETAILED CONTENT OUTLINE EFFECTIVE THROUGH APRIL 30, 2019

4. **Real Property 14 (3-8-3)**
  - A. **Methods of Legal Description of Land (1)**
    1. Metes and Bounds
    2. Rectangular Survey
    3. Lot and Block
  - B. **Methods of Measurement (1)**
    1. Structures (space and volume)
    2. Livable Area
    3. Land Measurement
  - C. **Property Valuation (3)**
    1. Basic Concepts and Terminology
    2. Influences and Characteristics Affecting Value
    3. Comparative Market Analysis (performed by a real estate licensee)
    4. Broker Price Opinion
    5. Real Property (e.g., fixtures vs. personal property, chattel)
  - D. **Methods of Valuation (Performed by an Appraiser) (3)**
    1. Sales Comparison (Market Data) Approach
    2. Cost Approach
    3. Income Analysis Approach
    4. Appraisal Process / Procedure
  - E. **Conveyance of Real Property (6)**
    1. Definition of Clear (Marketable) Title
    2. Matters Affecting Title
    3. Recordation
    4. Title Insurance
    5. Deeds
    6. Wills
    7. Court-Ordered Sale (e.g., foreclosure)
    8. Settlement Procedures (closing the transaction)
5. **Marketing Regulations (Purchase and Rental) 10 (4-6-0)**
  - A. **Property Advertising Disclosures (3)**
    1. Environmental Concern (e.g., lead-based paint, radon)
    2. Property Condition
    3. Material Facts
  - B. **Licensee Advertising (3)**
    1. Antitrust
    2. Do-Not-Call List
    3. CAN-SPAM Act
    4. Social Media and Internet
6. **Fair Housing (4)**
  1. Federal Fair Housing Act
  2. Protected Classes
  3. Redlining
  4. Blockbusting
  5. Steering
  6. Advertising
7. **Real Estate Calculations 13 (0-10-3)**
  - A. **General Principles of Property Management Agreements**
  - B. **Basic Provisions / Purpose / Elements of Property Management Agreements**
  - C. **Types of Contracts**
  - D. **Duties and Obligations of the Parties**
  - E. **Market Analysis and Tenant Acquisition**
  - F. **Accounts and Disbursement**
  - G. **Property Maintenance and Improvements**
8. **Property Management 8 (2-4-2)**
  - A. **Compensation, Commission and Fees**
  - B. **Valuation / Market Sale Price and Yields**
  - C. **Net to Seller, Cost to Buyer (credits & debits)**
  - D. **Tax and Other Prorations**
  - E. **Points**
  - F. **Loan-to-Value Ratios**
  - G. **Measurement (e.g., square footage, acreage, volume)**
  - H. **Property Management / Investment (e.g., rate of return)**

Specifications based on 2015 Job Analysis.

Subcategory targets and cognitive level targets (i.e., the numbers appearing in parentheses) are guidelines, and the actual number of items on test forms may vary slightly from these targets. Five unscored pretest items will be included on each test form. Examinations are designed to be administered in a 2.5 hour testing session. When combined with a state-specific portion, sufficient additional testing time will be allocated.

In addition, all items will be classified according to the cognitive level that is expected to be required for the entry-level candidate to appropriately respond to the item. The cognitive level classifications are defined in the following table, which also shows the percentage of items at each level for the salesperson examination.

Level	Definition	Percentage of Items
<b>Recall (1)</b>	Requires only recognition of isolated information, such as specific facts, generalizations, concepts, principles or procedures. The information generally does not vary relative to the situation.	30
<b>Application (2)</b>	Requires interpretation, classification or manipulation of limited concepts or data, in which the response or outcome is situationally dependent, but not overly complex.	59
<b>Analysis (3)</b>	Requires integration or synthesis of a variety of concepts to solve a specific problem situation (for example, evaluating and rendering judgments on complex problems with many situational variables).	11

**NATIONAL SALESPERSON AND NATIONAL BROKER  
DETAILED CONTENT OUTLINE**

**EFFECTIVE STARTING MAY 1, 2019**

- I. Property ownership (Salesperson 8%; Broker 10%)**
  - A. Real versus personal property; conveyances**
  - B. Land characteristics and legal descriptions**
    - 1. Types of legal descriptions; Metes and bounds, Lot and block, government survey
    - 2. Measuring structures
    - 3. Livable, rentable, and usable area
    - 4. Land Measurement
    - 5. Mineral, air, and water rights
  - C. Encumbrances and effects on property ownership**
    - 1. Liens
    - 2. Easements and licenses
    - 3. Encroachments
    - 4. Other potential encumbrances of title
  - D. Types of ownership**
    - 1. Tenants in common
    - 2. Joint tenancy
    - 3. Common- interest ownership
      - a) Timeshares
      - b) Condominiums
      - c) Co-ops
    - 4. Ownership in severalty/sole ownership
    - 5. Life Estate ownership
    - 6. Property ownership held in trust (BROKER ONLY)
- II. Land use controls and regulations (Salesperson 5%; Broker 5%)**
  - A. Government rights in land**
    - 1. Property taxes and special assessments
    - 2. Eminent domain, condemnation, escheat
  - B. Government controls**
    - 1. Zoning and master plans
    - 2. Building codes
    - 3. Regulation of special land types
      - a) Flood zones
      - b) Wet lands
    - 4. Regulation of environmental hazards
      - a) Types of hazards
      - b) Abatement and mitigation
      - c) Restrictions on contaminated property
  - C. Private controls**
    - 1. Deed conditions or restrictions
    - 2. Covenants, conditions, and restrictions (CC&Rs)
    - 3. Homeowners association regulations
- III. Valuation and market analysis (Salesperson 7%; Broker 7%)**
  - A. Appraisals**
    - 1. Purpose and use of appraisals for valuation
    - 2. General steps in appraisal process
    - 3. Situations requiring appraisal by certified appraiser
  - B. Estimating Value**
    - 1. Effect of economic principles and property characteristics
    - 2. Sales or market comparison approach
    - 3. Cost approach
    - 4. Income analysis approach
  - C. Competitive/Comparative Market Analysis**
    - 1. Selecting comparables
    - 2. Adjusting comparables
- IV. Financing (Salesperson 10%; Broker 8%)**
  - A. Basic concepts and terminology**
    - 1. Points
    - 2. LTV
    - 3. PMI
    - 4. Interest
    - 5. PITI
    - 6. Financing instruments (mortgage, promissory note, etc.)
  - B. Types of loans**
    - 1. Conventional loans
    - 2. FHA Insured loans
    - 3. VA guaranteed loans
    - 4. USDA/rural loan programs
    - 5. Amortized loans
    - 6. Adjustable-rate mortgage loans
    - 7. Bridge loans
    - 8. Owner financing (installment and land contract/contract for deed)
  - C. Financing and lending**
    - 1. Lending process application through closing
    - 2. Financing and credit laws and rules
      - a) Truth in lending
      - b) RESPA
      - c) Equal Credit Opportunity
      - d) CFPB/TRID rules on financing and risky loan features
    - 3. Underwriting
      - a) Debt ratios
      - b) Credit scoring
      - c) Credit history
- V. General principles of agency (Salesperson 13%; Broker 11%)**
  - A. Agency and non-agency relationships**
    - 1. Types of agents and agencies
    - 2. Other brokerage relationships (non-agents)
      - a) Transactional
      - b) Facilitators
  - B. Agent's duties to clients**
    - 1. Fiduciary responsibilities
    - 2. Traditional agency duties (COALD)
    - 3. Powers of attorney and other delegation of authority

**NATIONAL SALESPERSON AND NATIONAL BROKER  
DETAILED CONTENT OUTLINE**

**EFFECTIVE STARTING MAY 1, 2019**

- C. Creation of agency and non-agency agreements; disclosure of conflict of interest**
1. Agency and agency agreements
    - a) Key elements of different types of listing contracts
    - b) Key elements of buyer brokerage/tenant representation contracts
  2. Disclosure when acting as principal or other conflict of interest
- D. Responsibilities of agent to customers and third parties, including disclosure, honesty, integrity, accounting for money**
- E. Termination of agency**
1. Expiration
  2. Completion/performance
  3. Termination by force of law
  4. Destruction of property/death of principal
  5. Mutual agreement
- VI. Property disclosures (Salesperson 6%; Broker 7%)**
- A. Property condition**
1. Property condition that may warrant inspections and surveys
  2. Proposed uses or changes in uses that should trigger inquiry about public or private land use controls
- B. Environmental issues requiring disclosure**
- C. Government disclosure requirements (LEAD)**
- D. Material facts and defect disclosure**
- VII. Contracts (Salesperson 17%; Broker 18%)**
- A. General knowledge of contract law**
1. Requirements for validity
  2. Factors affecting enforceability of contracts
  3. Void, voidable, unenforceable contracts
  4. Rights and obligations of parties to a contract
  5. Executory and executed contracts
  6. Notice, delivery and acceptance of contracts
  7. Breach of contract and remedies for breach
  8. Termination, rescission and cancellation of contracts
  9. Electronic signature and paperless transactions
  10. Bilateral vs. unilateral contracts (option agreements)
- B. Contract Clauses, including amendments and addenda**
- C. Offers/purchase agreements**
1. General requirements
  2. When offer becomes binding
  3. Contingencies
  4. Time is of the essence
- D. Counteroffers/multiple offers**
1. Counteroffers
  2. Multiple offers
- VIII. Leasing and Property Management (Salesperson 3%; Broker 5%)**
- A. Basic concepts/duties of property management**
- B. Lease Agreements**
1. Types of leases, e.g., percentage, gross, net, ground
  2. Key elements and provisions of lease agreements
- C. Landlord and tenant rights and obligations**
- D. Property manager's fiduciary responsibilities**
- E. ADA and Fair Housing compliance in property management**
- F. Setting rents and lease rates (BROKER ONLY)**
- IX. Transfer of Title (Salesperson 8%; Broker 7%)**
- A. Title Insurance**
1. What is insured against
  2. Title searches, title abstracts, chain of title
  3. Marketable vs insurable title
  4. Potential title problems and resolution
  5. Cloud on title, suit to quiet title (BROKER ONLY)
- B. Deeds**
1. Purpose of deed, when title passes
  2. Types of deeds and when used
  3. Essential elements of deeds
  4. Importance of recording
- C. Escrow or closing; tax aspects of transferring title to real property**
1. Responsibilities of escrow agent
  2. Prorated items
  3. Closing statements/TRID disclosures
  4. Estimating closing costs
  5. Property and income taxes
- D. Special processes**
1. Foreclosure
  2. Short sale
- E. Warranties**
1. Purpose of home or construction warranty programs
  2. Scope of home or construction warranty programs
- X. Practice of real estate (Salesperson 13%; Broker 14%)**
- A. Trust/escrow accounts**
1. Purpose and definition of trust accounts, including monies held in trust accounts
  2. Responsibility for trust monies, including commingling/conversion
- B. Federal fair housing laws and the ADA**
1. Protected classes
  2. Prohibited conduct (red-lining, blockbusting, steering)
  3. Americans with Disabilities (ADA)
  4. Exemptions

**NATIONAL SALESPERSON AND NATIONAL BROKER  
DETAILED CONTENT OUTLINE  
EFFECTIVE STARTING MAY 1, 2019**

**C. Advertising and technology**

1. Advertising practices
  - a) Truth in advertising
  - b) Fair housing issues in advertising
2. Use of technology
  - a) Requirements for confidential information
  - b) Do-Not-Call List

**D. Licensee and responsibilities**

1. Employee
2. Independent Contractor
3. Due diligence for real estate transactions
4. Supervisory responsibilities (BROKER ONLY)
  - a) Licensees
  - b) Unlicensed personnel

**E. Antitrust laws**

1. Antitrust laws and purpose
2. Antitrust violations in real estate

**XI. Real estate calculations (Salesperson 10%; Broker 8%)**

**A. Basic math concepts**

1. Loan-to-value ratios
2. Discount points
3. Equity
4. Down payment/amount to be financed

**B. Calculations for transactions**

1. Property tax calculations
2. Prorations
3. Commission and commission splits
4. Seller's proceeds of sale
5. Buyer funds needed at closing
6. Transfer fee/conveyance tax/revenue stamps
7. PITI (Principal, Interest, Taxes and Insurance) payments

**C. Calculations for valuation, rate of return (BROKER ONLY)**

1. Net operating income
2. Depreciation
3. Capitalization rate
4. Gross Rent and gross income multipliers

**NATIONAL BROKER EXAMINATION  
EFFECTIVE STARTING MAY 1, 2019****National Broker Multiple-Choice Scenario-Based Questions**

National broker multiple-choice exams will include scenario-based test questions **effective starting May 1, 2019**. These items contain more than four options and **ONLY ONE BEST** option shall be selected to answer the question. Some options are appropriate but not the **BEST ANSWER**. Please select the option that best answers the question in the exam. A **BEST ANSWER** reflects the optimal solution or most complete resolution to the scenario presented in the question. These items are associated with scenarios presented in the form of text, graphs, or tables representing a situation in which candidates must identify the best course of action by selecting only one option. Each option is weighted as zero-point, one-point, or two-points based on the completeness and accuracy of the solution. Sample questions are provided below.

**SAMPLE BROKER QUESTIONS (SCENARIO-BASED)****Scenario:**

You are hosting an open house. Mr. and Mrs. Charles Martin come into the house. You greet them and show them the house. The Martins tell you the house is exactly what they are looking for and they are very interested in purchasing it. You then give them information showing the various types of financing available with down payment options and projected payments.

Mr. Martin tells you they have been working with Mary Hempstead of XX Realty, a competing real estate company. Before leaving, you thank them for coming and give them your business card.

- A. The first thing on Monday morning, Mrs. Martin calls and indicates they have tried to reach Mary and cannot. They indicate they have a written buyer's agent agreement with Mary's broker. They are afraid someone else is going to buy the house. Which of the following should you do? Select the best answer.
1. Seek advice from your supervising broker.
  2. Tell them to come to your office.
  3. Ask them to bring the buyer's agency agreement to you for your interpretation.
  4. Tell them to be patient and continue trying to reach Mary.
  5. Tell them to call Mary's supervising broker or branch manager.
  6. Tell them you are really sorry, but there is nothing you can do.

- B. The Martins come to your office and explain that neither Mary nor her supervising broker are available. They insist you immediately write an offer for the house. How should you proceed? Select the best answer.
1. Write the offer after entering into a buyer's broker agreement with them.
  2. Write the offer after explaining they may owe Mary's broker a commission.
  3. Write the offer after trying to contact Mary's broker yourself.
  4. Refuse to write an offer and explain that doing so would be unethical.
  5. Refuse to write an offer since it would be illegal.
  6. Refuse to write the offer and tell the Martins to contact another Salesperson in Mary's office.

**Answers (Points) to Sample Broker Questions:**

- A. 1 (2 points), 2 (1 point), 3 (0 point), 4 (0 point), 5 (1 point), 6 (0 point)
- B. 1 (1 point), 2 (2 points), 3 (1 point), 4 (0 point), 5 (0 point), 6 (0 point)



**REAL ESTATE REFERENCES**

The references provided below are some of the available relevant written study materials for the National Salesperson and Broker Examinations. However, they are not necessarily recommended by PSI or the Nebraska Real Estate Commission. Computer software is also available from several publishing companies, but it is not listed here. Please use the most current publication.

- Armbrust, Betty J.; Bradley, Hugh H. and Armbrust, John W. Practical Real Estate Math. Thompson South-Western.
- Burgess, Russell W. Real Estate Home Inspection. Chicago: Dearborn Real Estate Education.
- Cortesi, Gerald. Mastering Real Estate Principles. Chicago: Dearborn Real Estate Education.
- Gaddy, Wade E., Jr. and Hart, Robert E. Real Estate Fundamentals. Chicago: Dearborn Real Estate Education.
- Galaty, Fillmore W.; Allaway, Wellington J. and Kyle, Robert C. Modern Real Estate Practice. Chicago: Dearborn Real Estate Education.
- Geschwender, Arlyne. Real Estate Principles and Practices. Thompson South-Western.
- Gibson, Frank; Karp, James and Klayman, Elliot. Real Estate Law. Chicago: Dearborn Real Estate Education.
- Jacobus, Charles J. Real Estate: An Introduction to the Profession. Thompson South-Western.
- Jacobus, Charles J. Real Estate Law. Thompson South-Western.
- Kyle, Robert C.; Baird, Floyd M. and Kyle, C. Donald. Property Management. Chicago: Dearborn Real Estate Education.
- Lindeman, Bruce. Real Estate Brokerage Management. Thompson South-Western.
- Palmer, Ralph. Real Estate Principles and Practices. Thompson South-Western.
- Realtors® National Marketing Institute. Real Estate Office Management: People, Functions, Systems. Chicago: Author.
- Reilly, John W. The Language of Real Estate. Chicago: Dearborn Real Estate Education.
- Shilling, James D. Real Estate. Thompson South-Western.
- Sirota, David. Essentials of Real Estate Finance. Chicago: Dearborn Real Estate Education.
- Sirota, David. Essentials of Real Estate Investment. Chicago: Dearborn Real Estate Education.
- Tamper, Ralph. Mastering Real Estate Math. Chicago: Dearborn Real Estate Education.
- Ventolo, William L., Jr. and Williams, Martha R. Fundamentals of Real Estate Appraisal. Chicago: Dearborn Real Estate Education.
- Wiedemer, John P. Real Estate Finance. Thompson South-Western.



**NEBRASKA TEST CENTER LOCATIONS,  
HOLIDAYS AND SATURDAY SCHEDULE**

**PSI TEST CENTER LOCATIONS**

**Location 1: Lincoln**

H&R Block Tax Office  
2637 "O" St.  
Lincoln, NE 68510

*Directions:* The office is located within H&R Block in the Towne Building. Parking is at the rear of the building, to the south, and can be accessed from "N" Street. Building is identified by the "H&R Block" sign on the rear of the building. The PSI testing center is accessed from the rear of the building by taking the stairs or elevator to the lower level and following the signs to the H&R Block office.

**Location 2: North Platte**

H&R Block Tax Office  
519 S Dewey  
North Platte, NE 69101

*Directions:* From I-80 W – Take exit 177 and turn right at the bottom onto US 83 N. The location will be on the right in the Baloc Center.

From I-80 E – Take exit 177 and follow the ramp onto US 83 N. The location will be on the right in the Baloc Center.

**Location 3: Omaha**

H&R Block Tax Office  
4843 L St.  
Omaha, NE 68117

*Directions:* From I-80 West – At exit 451, take the ramp right and follow the signs for 42nd St. Turn left onto 42nd St. Go for about a mile, and then turn right onto L St. The H&R Block office is about a half mile down the road on the left. It is located in the 48th St. Square.

From US-75 North – Take ramp right for US-275/NE-92. Turn left onto L St. After about two miles, the H&R Block Office will be on the left. It is located in the 48th St. Square.

**Location 4: Scottsbluff**

PSI Test Center  
Harms Advanced Technology Building  
2620 College Park  
Scottsbluff, NE 69361

*Directions:* From Hwy. 26 turn North on 27th St. Go to the third right and The Harms Advanced Technology Center (HATC) should be on the right. It is located across the street from the library of Western Nebraska Community College. Turn left into the driveway, where there is plenty of parking to the west of the building as well as to the north of the building. Once you enter, the receptionist will direct individuals to the testing center.

**HOLIDAYS**

Examinations will not be offered on the following holidays:

- New Year's Day
- Martin Luther King Jr. Day
- Memorial Day
- Independence Day (July 4)
- Labor Day
- Thanksgiving Day (and the following Friday)
- Christmas Eve Day
- Christmas Day

**SATURDAY EXAMINATIONS**

The Nebraska Real Estate Examinations will be administered on the last Saturday of each month (excluding holiday weekends) at the Omaha or Lincoln Test Centers according to the following schedule.

2019 Examination Date	Test Center	
	Omaha	Lincoln
January 26		X
February 23	X	
March 30		X
April 27	X	
May 18		X
June 29	X	
July 27		X
August 24	X	
September 28		X
October 26	X	
November 23		X
December 28	X	





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