## PEARSON VUE



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# State of Arizona REAL ESTATE Candidate Handbook

April 2013



### QUICK REFERENCE

#### STATE LICENSING INFORMATION

In addition to the instructions on the license application, candidates may view the state's real estate department website (below) for information about obtaining or maintaining a license after the examination has been passed.

#### Arizona Department of Real Estate

2910 N 44th Street, Suite 100 Phoenix, AZ 85018

**Phone** (602) 771-7799

Website www.azre.gov

#### EXAMINATION INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or about an upcoming examination.

#### **Pearson VUE**

Arizona Real Estate 5601 Green Valley Dr. Bloomington, MN 55437

> Phone (888) 405-5776

Website www.pearsonvue.com

Email pearsonvuecustomerservice@ pearson.com

#### RESERVATIONS

#### **Before making an exam reservation**

Candidates should thoroughly review this handbook, which contains examination content outlines and important information regarding eligibility and the examination and licensing application process.

#### **Making an exam reservation**

Candidates may make a reservation with Pearson VUE by:

- Visiting the Pearson VUE website at www.pearsonvue.com
- Calling Pearson VUE at (888) 405-5776

Candidates should make a reservation online or by phone at least twenty-four (24) hours before the desired examination date (unless an electronic check is used for payment, as detailed on page 5. **Walk-in examinations are not available**.

#### **SCHEDULES & FEES**

#### **Test centers**

A list of test centers appears on the back cover of this handbook. Candidates should contact Pearson VUE to confirm specific locations and schedules.

#### **Exam fees**

The examination fee must be paid at the time of reservation by credit card, debit card, voucher, or electronic check (see page 5). Cash will not be accepted. Payment will not be accepted at the test center. Examination fees are non-refundable and non-transferable, except as detailed in *Change/Cancel Policy* (see page 5.)

#### **EXAM DAY**

#### What to bring to the exam

Candidates should bring to the examination proper identification and other materials as dictated by the state licensing agency. (See *Exam Day* on page 8.)

#### **Exam procedures**

Candidates should report to the test center at least thirty (30) minutes before the examination begins. The time allotted for each examination is detailed on page 9. Each candidate will leave the test center with an official score report in hand.

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Note: Candidates will receive the application for licensure at the test center upon successful completion of the entire exam.

## The candidate handbook is a useful tool in preparing for an examination.

It is highly recommended that the Arizona Real Estate Candidate Handbook be reviewed, with special attention given to the content outlines, before taking the examination. (*Content outlines begin on page 13 of this handbook*.)

## Individuals who wish to obtain a real estate license must:

#### 1. Complete Prelicensing Education.

Before taking an examination, real estate salesperson and broker candidates must complete all prelicensing education.

#### 2. Obtain an Arizona fingerprint clearance card.

The process for obtaining an Arizona fingerprint clearance card is available at http://www.azre.gov/Edu/Documents/ Fingerprint\_Clearance\_Card\_Process.pdf.

#### 3. Make a reservation and pay the examination fee.

Make a reservation (by phone or online) with Pearson VUE for the examination. (*See page 4.*)

#### 4. Go to the test center.

Go to the test center on the day of the examination, bringing along all required materials. (*See page 8.*)

#### 5. Apply for a license.

After passing the examination, candidates must submit the proper application materials to the Arizona Department of Real Estate within one year of passing the exam. *(See page 3 for additional details.)* 

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#### **CONTACT INFORMATION**

Candidates may contact Pearson VUE with questions about this handbook or an examination, or may contact the Arizona Department of Real Estate with questions about obtaining or maintaining a license.

<b>PEARSON VUE/ARIZONA REAL ESTATE</b>
5601 Green Valley Dr.
Bloomington, MN 55437
Phone: (888) 405-5776
Website: www.pearsonvue.com
Email: pearsonvuecustomerservice@pearson.com
ARIZONA DEPARTMENT OF REAL ESTATE

2910 N 44th Street, Suite 100 Phoenix, AZ 85018 **Phone:** (602) 771-7799 **Website:** www.azre.gov

#### **THE LICENSURE PROCESS**

Licensure is the process by which an agency of state government or other jurisdiction grants permission to individuals to engage in the practice of, and prohibits all others from legally practicing, a particular profession, vocation, or occupation. By ensuring a level of competence, the licensure process protects the general public.

#### **A MESSAGE FROM ADRE**

The Arizona Department of Real Estate (ADRE), a government agency, is authorized with the enforcement of Real Estate Laws and Rules governing the real estate profession in Arizona. ADRE fulfills its mission "to protect the public interest through licensure and regulation of the real estate profession in this state."

The ADRE has contracted with Pearson VUE to develop and administer licensing examinations for salespersons and brokers in real estate, cemetery, and membership camping sales.

Arizona is not reciprocal with any state or country. An applicant for a real estate, cemetery or membership camping license in Arizona must meet the Arizona requirements in effect at the time of the application, regardless of the applicant's licensed status in another state.

#### **PRACTICE TESTS**

Practice tests are offered exclusively online at www.pearsonvue.com, giving candidates even more opportunity to succeed on real estate examinations. Our practice tests will not only help prepare candidates for the types of questions they will see on the licensure exam but also familiarize them with taking computer-based examinations.

Pearson VUE offers a practice test for real estate that contains questions developed by subject matter experts using concepts found in the national portion of the licensure examination. The test closely reflects the format of the licensure examination, can be scored instantly, and provides immediate feedback to help candidates identify correct and incorrect answers. Candidates can purchase practice tests anytime by visiting www.pearsonvue.com.

### STATE LICENSING REQUIREMENTS

Pursuant to A.R.S. §32-2124, all applicants applying for an original license shall show evidence satisfactory to the Commissioner:

- Of the honesty, truthfulness, good character and competency of the applicant.
- That the applicant has not had a license denied within one year, or revoked within two years, immediately preceding the application date.
- That the applicant is at least 18 years of age when applying for a license.
- That a real estate license applicant has completed prelicensure education course(s) prescribed and approved by the Commissioner of at least 90 classroom hours and has passed the school's final examination, no more than ten years prior to license application.
- That the applicant for a broker's license has demonstrated at least three years of actual experience as a licensed broker or licensed salesperson during the five-year period immediately preceding the date of license application.

An applicant must have passed the Pearson VUE examination within one year preceding the application for licensure (A.R.S. §32-2125.01).

All applicants must provide proof of legal presence in the United States prior to holding a state-issued professional license (A.R.S. § 41-1080).

All applicants must provide an Arizona Fingerprint Clearance Card at the time of license application. See Informational Alert, which is available at http://www.azre.gov/Edu/Documents/Fingerprint\_Clearance\_Card\_Process.pdf (A.R.S. §§ 32-2101.28 and 32-2108.01).

Depending on the answers you provide on the *Disciplinary Actions Disclosure* (LI-214/244), which is available at http://www.azre.gov/Lic/Forms/Form\_LI-214-LI-244\_Disciplinary\_Actions\_Disclosure.pdf, you may also be required to submit a signed statement providing details, certified copies of documents relating to any disclosure(s), and additional information and documents. Review the instructions on the *Disclosure Document Checklist* (LI-400), available at http://www.azre.gov/Lic/Forms/Form\_LI-400\_Disclosure\_Document\_Checklist-fillable.pdf, to determine what documentation you will be required to furnish.

Note: Issuance of a license depends on review and approval of all license application material. Passing an exam does not guarantee that you will be issued a license.

#### LICENSED EXPERIENCE REQUIRED FOR ALL BROKER APPLICANTS

You must have at least three years licensed experience as a salesperson or broker within the immediately preceding five-year period to apply for the broker's examination and a broker's license.

To substantiate that you meet the above experience requirement for a broker's license, your designated or employing broker(s) must complete and sign a Broker Candidate Experience Verification Form (LI-226). Licensed experience based on multiple brokers during the qualifying period(s) will require a completed form from each broker. If your experience was acquired in a state other than Arizona, you must also obtain a certified license history from each state in which you held a salesperson's or broker's license during the immediately preceding five years.

Present the above form(s) along with any certified license history to Pearson VUE at the time of examination, and then submit the same documentation to the Department with your application for licensure. The form is available at http://www.azre.gov/Lic/Forms/Form\_LI-226\_Broker\_Candidate\_Experience.pdf.

#### LICENSE APPLICANT INSTRUCTIONS

As you pass each portion of the examination, you will be issued a passing score report. Upon passing both parts, a second score report, which is your **application for licensure**, will be issued at the test site. Please submit the Examination Score Report sheet(s) when applying for licensure. Follow the instructions on the application to apply for a license online. Follow the instructions on the application to apply for a license. Additional instructions for specific license applicants are noted below or in the Activating License Brochure, which is available at http://www.azre.gov/Lic/Documents/Original\_Licensing\_Brochure.pdf.

In addition to the licensing application, the candidate must provide the department with a fingerprint clearance card and proof of legal presence.

#### **Salesperson's License Applicant**

You must apply for a license within one year of passing the examination (the national and state-specific sections for real estate license candidates). Prior to licensure, real estate license candidates will be required to complete a six-hour Contract Writing Course.

#### **Broker's License Applicant**

You must apply for a license within one year of passing the examination (the national and state-specific sections for real estate license candidates). Prior to licensure, real estate license candidates will be required to complete the nine-hour Broker Management Clinic.

### Applicants previously licensed and/or prelicensure qualified in Arizona

If your prelicense education is less than ten years old since completion, you may be eligible to be recertified by the school or the department. Contact the school you attended.

### EXAM RESERVATIONS

PHONE RESERVATIONS (888) 405-5776

#### ONLINE RESERVATIONS

www.pearsonvue. com/az/realestate **Walk-in examinations are not available.** Candidates must make a reservation online or by phone.

#### **ONLINE RESERVATIONS**

Candidates must go to www.pearsonvue.com/az/realestate to make an online reservation for an examination. First-time users are required to create an account. The candidate will need to fill in all required fields, which are preceded by an asterisk, on the online form in order to create an ID and be assigned a password. Step-by-step instructions will follow on how to make a reservation for an examination.

For the type of information needed to complete the online reservation, refer to the bullet listing under PHONE RESERVATIONS below.

Candidates must make an online reservation at least twenty-four (24) hours before the desired examination date.

#### **PHONE RESERVATIONS**

Candidates may call (888) 405-5776 to make a reservation.

PEARSON VUE HOURS			
Monday – Friday	6 a.m. – 9 p.m.		
Saturday	6 a.m. – 3 p.m.		
Sunday	8 a.m. – 2 p.m.		

Mountain Standard Time

#### Before calling, candidates should have the following:

- Legal name, address, email address, Social Security number, daytime telephone number, and date of birth
- The name of the examination(s)
- The preferred examination date and test center location (a list appears on the back cover of this handbook)
- · Credit card, debit card, voucher, or electronic check information for payment
- Prelicensure school name, approval number, and completion certificate
- For broker exam candidates only reference
  - Completed Broker Candidate Experience Verification Form(s) (LI-226) for licensed experience qualification requirements
  - ° Certified license history from other state(s), if applicable

Candidates are responsible for knowing which examination they must take. A Pearson VUE representative will help candidates select a convenient examination date and location and will answer questions. The reservation will be made based on the next available examination date.

Candidates who wish to make a phone reservation MUST do so at least twenty-four (24) hours before the desired examination date (unless an electronic check is used for payment, as detailed on page 5).

#### **EXAM FEES**

Payment must be made at the time of reservation by credit card, debit card, voucher, or electronic check. **Payment for the examination will not be accepted at the test center.** 

EXAMINATION FEES			
Real Estate Salesperson	\$75		
Real Estate Broker	\$125		
Cemetery Salesperson	\$75		
Cemetery Broker	\$125		
Membership Camping Salesperson	\$75		
Membership Camping Broker	\$125		

#### **Electronic Checks**

Candidates who choose to pay the examination fee by electronic check must have a personal checking account and must be prepared to provide to Pearson VUE at the time of reservation the following information:

- Bank name
- Account number
- Routing number
- Social Security number, state-ID number, or driver's license number
- Name and address on the account

Using this information, Pearson VUE can request payment from the candidate's bank account just as if the candidate had submitted an actual paper check.

Candidates paying by electronic check must register at least five (5) days before the examination date in order for their check to be processed.

#### **Vouchers**

Vouchers offer another convenient way to pay for tests. Vouchers can be purchased online at www.pearsonvue.com/vouchers/pricelist by credit card either singly or in volume. To redeem a voucher as payment when scheduling a test, simply indicate voucher as the payment method and provide the voucher number. All vouchers are pre-paid. Vouchers are non-refundable and non-returnable.

Vouchers expire twelve (12) months from the date they are issued. Voucher expiration dates cannot be extended. The exam must be taken by the expiration date printed on the voucher.

#### **CHANGE/CANCEL POLICY**

Candidates should call Pearson VUE at (888) 405-5776 at least forty-eight (48) hours before the examination to change or cancel a reservation. Candidates who change or cancel a reservation with proper notice may either transfer their fees to a new reservation or request a refund. Candidates who change or cancel their reservations without proper notice will forfeit the entire examination fee. Refunds for credit/debit cards are immediate, while refunds for electronic checks and vouchers will be processed in two to three (2-3) weeks.

Candidates are individually liable for the full amount of the examination fee once a reservation has been made, whether paid individually or by a third party.

#### **ABSENCE/LATENESS POLICY**

Candidates who are late to or absent from an examination may be excused for the following reasons:

- Illness of the candidate or a member of the candidate's immediate family
- Death in the immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Military duty
- Weather emergency

Candidates who are late to an examination will not be admitted and will forfeit the entire examination fee. Candidates who are absent from an examination and have not changed or canceled the reservation according to the Change/ Cancel Policy will forfeit the entire examination fee. Written verification and supporting documentation for excused absences must be submitted to Pearson VUE within fourteen (14) days of the original examination date. Written verification and supporting documentation can be sent by fax to (888) 204-6291 or mailed to the following address:

> Pearson VUE/Arizona Real Estate Attn: Regulatory Program Coordinator 5601 Green Valley Dr. Bloomington, MN 55437 Phone: (888) 405-5776 Email: pearsonvuecustomerservice@pearson.com Website: www.pearsonvue.com

#### WEATHER DELAYS AND CANCELLATIONS

If severe weather or a natural disaster makes the test center inaccessible or unsafe, the examination may be delayed or canceled. Pearson VUE will notify and reschedule candidates in the case of severe weather.

#### **ACCOMMODATIONS**

Pearson VUE complies with the provisions of the Americans with Disabilities Act as amended. The purpose of accommodations is to provide candidates with full access to the test. Accommodations are not a guarantee of improved performance or test completion. Pearson VUE provides reasonable and appropriate accommodations to individuals with documented disabilities who demonstrate a need for accommodations.

Test accommodations may include things such as:

- A separate testing room
- Extra testing time
- A Reader or Recorder, for individuals with mobility or vision impairments and cannot read or write on their own

Test accommodations are individualized and considered on a case-by-case basis. All candidates who are requesting accommodations because of a disability must provide appropriate documentation of their condition and how it is expected to affect their ability to take the test under standard conditions. This may include:

- Supporting documentation from the professional who diagnosed the condition, including the credentials that qualify the professional to make this diagnosis
- A description of past accommodations the candidate has received

The steps to follow when requesting test accommodations vary, depending on your test program sponsor. To begin, go to http://pearsonvue.com/accommodations, and then select your test program sponsor from the alphabetized list. Candidates who have additional questions concerning test accommodations may contact the ADA Coordinator at accommodationspearsonvue@pearson.com.

## EXAM DAY

#### **REQUIRED ITEMS**

Candidates who do not present the required items will be denied admission to the examination, will be considered absent, and will forfeit the entire examination fee.

#### WHAT TO BRING

#### **Required Materials**

- Identification that is deemed acceptable, as detailed under *Acceptable Forms of Candidate Identification*.
- Real estate salesperson and broker exam candidates only: prelicensure education certificate.
- Broker exam candidates only: a completed *Broker Candidate Experience Verification Form* (LI-226) and certified license history, if applicable. (Pearson VUE is not responsible for validating the accuracy or acceptability by ADRE of the Broker Candidate Experience Verification Form. ADRE will not issue an Arizona Broker License if qualifications are not met or forms are deficient. Confirmation of ADRE approval of the Broker Candidate Experience Verification MAY be obtained prior to exam scheduling, but is not required at time of exam).

### Candidates who do not present the required items will be denied admission to the examination, will be considered absent, and will forfeit the entire examination fee.

#### Suggested Materials

 A calculator, which must be battery-operated, silent, hand-held, nonprinting, and without an alphabetic (A-Z) key pad. Acceptable models include HPIII Qualifier, PHP-10BII, HP 10, HP10B, HP12C, HP17, Real Estate Qualifier Plus IIIX, and Real Estate Mortgage Qualifier Plus.

#### Acceptable Forms of Candidate Identification

Candidates must present **two (2)** forms of current signature identification. The name on the identification must exactly match the name on the registration. The primary identification must be government issued and photo-bearing with a signature, and the secondary identification must contain a valid signature. Identification must be in English.

#### Primary ID (photograph and signature, not expired)

- Government-issued Driver's License
- U.S. Department of State Driver's License
- U.S. Learner's Permit (plastic card only with photo and signature)
- National/State/Country ID card
- Passport
- Passport Card
- Military ID
- Military ID for spouses and dependents
- Alien Registration Card (Green Card, Permanent Resident Visa)

#### Secondary ID (signature, not expired)

- U.S. Social Security card
- Debit (ATM) or Credit card
- Any form of ID on the Primary ID list

If the ID presented has an embedded signature that is not visible (microchip), or is difficult or impossible to read, the candidate must present another form of identification from the Primary ID or Secondary ID list that contains a visible signature.

Pearson VUE does not recognize grace periods. For example, if a candidate's driver's license expired yesterday and the state allows a 30-day grace period for renewing the ID, the ID is considered to be expired.

#### **EXAM PROCEDURES**

Candidates should report to the test center thirty (30) minutes before the examination and check in with the test center administrator. The candidate's identification and other documentation will be reviewed and he/she will be photographed for the score report.

Candidates are required to review and sign a *Candidate Rules Agreement* form. If the *Candidate Rules Agreement* is not followed and/or cheating or tampering with the examination is suspected, the incident will be reported as such and the appropriate action will be taken. The examination fee will not be refunded, the exam may be determined invalid, and/or the state may take further action.

Candidates will have an opportunity to take a tutorial on the PC on which the examination will be administered. The time spent on this tutorial will not reduce the examination time. The examination administrators will answer questions, but candidates should be aware that the administrators are not familiar with the content of the examinations or with the state's licensing requirements. Examination administrators have been instructed not to advise candidates on requirements for licensure.

Candidates may begin the examination once they are familiar with the PC. The examination begins the moment a candidate looks at the first examination question. The examination will end automatically after the examination time has expired, and candidates will leave the test center with their official score report in hand.

Real estate examination candidates who are required to pass both the national and state specific sections may not have the option to take one section of the examination before passing the other.

EXAMINATION	NUMBER OF QUESTIONS	NUMBER OF PRETEST QUESTIONS	TOTAL NUMBER OF QUESTIONS	TIME ALLOTTED
Real Estate Salesperson – National	80	5	85	150 minutes
Real Estate Salesperson – State-specific	90	10	100	150 minutes
Real Estate Broker – National	80	5	85	150 minutes
Real Estate Broker – State-specific	100	10	110	165 minutes
Cemetery Salesperson*	30	_	30	75 minutes
Cemetery Broker*	40	-	40	90 minutes
Membership Camping Salesperson*	30	-	30	75 minutes
Membership Camping Broker*	40	-	40	90 minutes

\*No prelicense education is required for these exams.

#### **RETAKING AN EXAMINATION**

Candidates should contact Pearson VUE to make a reservation to retake the examination, and should have their score report from the examination they did not pass available when they call.

#### **SCORE REPORTING**

When candidates complete the examination, they will receive a score report indicating whether they have passed the examination. The score report will include diagnostic information relating to the national and state-specific portions of the examination. Candidates who pass the examination will receive a license application. Candidates who do not pass the examination will receive information about reexamination.

#### **RETAKING THE EXAM**

The examination is divided into two sections: national and state-specific. Candidates who pass one section of the exam and do not pass the other need to retake only the section they did not pass. However, **both portions of the exam must be successfully completed within one (1) year prior to the date of license application.** 

Candidates who do not pass an examination must wait twenty-four (24) hours after taking that exam before making a reservation to retake it. Reservations cannot be made at the test center.

#### **ONE-TIME EXAM PLAYBACK FEATURE**

Candidates who fail the state section of the exam for a 2nd time will be allowed to schedule an exam review appointment. The exam review will allow the candidate to view all questions that were answered incorrectly in the state section only. This one-time exam review opportunity must be scheduled within 14 days of failing the state section for a 2nd time and the review must take place before scheduling and/or completing a 3rd exam. The time allotted for the exam review is 30 minutes.

**Note:** If the candidate schedules and/or passes a subsequent state exam, the exam review will not be available.

#### **SCORE EXPLANATION**

#### **Percent Score**

There are multiple versions of each of the licensing examinations. These versions are known as forms. All forms of an examination are developed based on the content outlines. To ensure that no candidate is put at an unfair advantage or disadvantage due to the particular form of an examination that he or she is given, a statistical procedure known as equating is used to attain comparable form difficulty.

The passing score of an examination was set by the Arizona Department of Real Estate (in conjunction with Pearson VUE) after a comprehensive study was completed for each examination. The examination score is reported as a percent score on a scale of 0%-100%. It is the percentage of questions answered correctly on the examination. You need to answer 75% of questions correctly in order to pass the examination.

The diagnostic information provides the percentage of questions in each content area that you answered correctly. It is determined by taking the number of questions answered correctly in a content areas divided by the total number of questions in that content area. As each content area does not contain the same number of questions, it is not appropriate to mathematically manipulate (for example, sum or average) the content area percentages in an effort to calculate your overall score. The content area information provided is meant only as a general guide for study purposes.

Please note that even if your percentages are high in certain content areas you should review all content areas before retaking the exam.

#### **DUPLICATE SCORE REPORTS**

Candidates may request a duplicate score report by completing the appropriate form found in the back of this handbook and submitting it along with the proper fee.

#### **TEST CENTER POLICIES**

The following policies are observed at each test center. Candidates who violate any of these policies will not be permitted to finish the examination and will be dismissed from the test center, forfeiting the entire examination fee.

- No personal items are allowed in the testing room. Personal items include but are not limited to the following: cellular phones, hand-held computers/personal digital assistants (PDAs) or other electronic devices, pagers, watches, wallets, purses, firearms or other weapons, hats, bags, coats, books, and/or notes, pens, or pencils.
- Calculators are permitted only if they are silent, hand-held, nonprinting, and without an alphabetic (A-Z) key pad. Some of the acceptable calculator models are listed on page 8 under *Suggested Materials*. Calculator malfunctions are not grounds for challenging examination results or requesting additional examination time. NOTE: Calculators are NOT provided by the test center staff.
- Candidates must store all personal items in a secure area as indicated by the administrator, or return items to their vehicle. All electronic devices must be turned off before storing them in a locker. The test center is not responsible for lost, stolen, or misplaced personal items.
- Studying **is not** allowed in the test center. Visitors, children, family, or friends **are not** allowed in the test center.
- Dictionaries, books, papers (including scratch paper), and reference materials are not permitted in the examination room (unless permitted by the exam sponsor), and candidates are strongly urged not to bring such materials to the test center. Upon entering and being seated in the testing room, the test administrator will provide the candidate with materials to make notes or calculations and any other items specified by the exam sponsor. The candidate may not write on these items before the exam begins or remove these items from the testing room.
- Eating, drinking, chewing gum, smoking, and/or making noise that creates a disturbance for other candidates is prohibited during the exam.
- Break policies are established by the exam sponsor. Most sponsors allow unscheduled breaks. To request an unscheduled break, candidates **must** raise their hand to get the administrator's attention. **The exam clock will not stop while the candidate is taking a break**.
- Candidates must leave the testing room for all breaks. However, candidates are not permitted to leave the floor or building for any reason during this time, unless specified by the administrator and the exam sponsor. If a candidate is discovered to have left the floor or building, he/she will not be permitted to proceed with the examination and may forfeit the entire examination fee.

#### **PRETEST QUESTIONS**

Many of the examinations will contain "pretest" questions. Pretest questions are questions on which statistical information is being collected for use in constructing future examinations. Responses to pretest questions do not affect a candidate's score. Pretest questions are mixed in with the scored questions and are not identified.

The number of pretest questions are listed in the content outline heading of each examination for which they are available. If a number is not present then there are no pretest questions for that particular examination.

- While taking a break, candidates are permitted to access personal items that are being stored during the exam only if necessary—for example, personal medication that must be taken at a specific time. However, a candidate must receive permission from the administrator prior to accessing personal items that have been stored. Candidates are not allowed access to other items, including but not limited to cellular phones, PDAs, exam notes, and study guides, unless the exam sponsor specifically permits this.
- Any candidate discovered causing a disturbance of any kind or engaging in any kind of misconduct—giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing examination materials or notes from the examination room—will be summarily dismissed from the examination and will be reported to the state licensing agency. Decisions regarding disciplinary measures are the responsibility of the state licensing agency.

### PREPARING FOR THE EXAM

#### **EXAM CONTENT**

The content of the national portion of the examination is based on information obtained from a job analysis performed by Pearson VUE. Responses from real estate professionals were analyzed to determine the nature and scope of tasks they perform and the knowledge and skills needed to perform them. This information is the basis upon which examination questions are written and ensures that the examination reflects the actual practice of real estate. Questions on the national portion are also reviewed and approved by nationally recognized real estate professionals.

The state-specific portion of the examination has been developed to reflect the laws, regulations, and practice of real estate in Arizona, and has been reviewed and approved by real estate professionals in Arizona.

#### **MATH CALCULATIONS**

Candidates may use the following information in making mathematical calculations on the national section of the real estate examinations unless otherwise stated in the text of the question:

- 43,560 square feet/acre
- 5,280 feet/mile
- Round off calculations (where applicable)

If a question requires the calculation of prorated amounts, the question will specify: a) whether the calculation should be made on the basis of 360 or 365 days a year; and b) whether the day of closing belongs to the buyer or seller.

This information will be available for reference during the examination.

### National Exam Content Outlines For Real Estate Salespersons and Brokers

#### Effective July 1, 2010

The national portion of the real estate exam is made up of eighty (80) scored questions, which are distributed as noted in the following content outline. Approximately ten percent (10%) of the scored questions on the national examinations will involve mathematical computations.

The salesperson and broker examinations also contain five (5) pretest questions that are not counted toward the score. These questions are used to gather statistics on performance and to help assess appropriateness for use on future examinations. Since pretest questions look exactly like questions that are scored, candidates should answer all the questions on the examination.

The following examination content outline is appropriate for real estate salespersons and real estate brokers.

### I. Real property characteristics, definitions, ownership, restrictions, and transfer (Salesperson 16, Broker 12)

A. Definitions, descriptions, and ways to hold title

- 1. Elements of real and personal property
- 2. Property description and area calculations
- 3. Estates in real property
- 4. Forms of ownership, rights, interests, and obligations
- B. Land use controls and restrictions
  - 1. Government controls
  - 2. Private controls non-monetary
  - 3. Private controls mortgage (deed of trust) and liens
- C. Transfer/alienation of title to real property
  - 1. Voluntary
  - 2. Involuntary
  - 3. Protections
  - 4. Partition/severance (voluntary or involuntary)
  - 5. Deeds and warranties: validity, types, covenants
  - 6. Title and title insurance

#### II. Property valuation and appraisal (Salesperson 6, Broker 6)

- A. Principles, types, and estimates of property value
  - 1. Valuation definition, purpose, and process
  - 2. Characteristics
  - 3. Valuation principles
  - 4. Approaches to value
  - 5. Depreciation/obsolescence
  - 6. Value
  - 7. Appraisals and list price
  - 8. Math
  - 9. Influences on property value
- B. Investment analysis
  - 1. Application of principles
  - 2. Math calculations

## III. Contracts and relationships with buyers and sellers (Salesperson 18, Broker 20)

- A. Contract elements
  - 1. Validity
  - 2. Void/voidable
  - 3. Enforceable/unenforceable (Statute of Frauds)
  - 4. Unilateral/bilateral
  - 5. Executory/executed
- B. Listing contracts
  - 1. General purpose/definition of listing
  - 2. Types
  - 3. Required elements
  - 4. Establishing listing price
  - 5. Responsibilities
- C. Commission agreements
  - 1. Negotiation of commission
  - 2. Who may collect
  - 3. Other compensation arrangements
  - 4. Math: licensee compensation/commission
- D. Sales contracts
  - 1. Terminology
  - 2. Procedures
  - 3. Standard parts
  - 4. Contingencies and misc. provisions
  - 5. Contractual rights and obligation
  - 6. Disputes and dispute resolution terms
- E. Option contracts
- F. Licensee-client relationships and responsibilities
  - 1. Types of relationships terminology
  - 2. Relationship powers and obligations
- IV. Property conditions and disclosures (Salesperson 7, Broker 7)
  - A. Federal environmental regulations
    - 1. Lead-based paint
    - 2. CERCLA
    - 3. Asbestos
    - 4. Wetlands and flood plains

- B. Environmental issues
  - 1. Mold
  - 2. Radon
  - 3. Protected species
  - 4. Other
- C. Material and other property disclosures
- D. Liability considerations
- V. Federal laws governing real estate activities (Salesperson 8, Broker 9)
  - A. Civil Rights Acts/Fair Housing Acts
    - 1. Provisions
    - 2. Violations
    - 3. Enforcement/penalties
    - 4. Exceptions
    - 5. Advertising
    - 6. Required poster
  - B. Americans with Disabilities Act (ADA)
  - C. Antitrust (Sherman Act, etc.)
  - D. Marketing and financial controls
    - 1. Truth in Lending Act (TILA—Regulation Z)
    - 2. Real Estate Settlement Procedures Act (RESPA)
    - 3. Equal Credit Opportunity Act (ECOA)
    - 4. Equal Employment Opportunity Commission (EEOC)
    - 5. UCC/Interstate/Securities (Broker only)
    - 6. Do Not Call/Privacy Act
- VI. Financing the transaction and settlement (Salesperson 17, Broker 13)
  - A. Financing components
    - 1. Financing instruments
    - 2. Financing sources (primary and secondary mortgage markets, seller financing)
    - 3. Types of loans
    - 4. Financing clauses, terminology, and cost of money (calculation)
    - 5. Lending issues
  - B. Lender requirements and obligations
    - 1. Private mortgage insurance (PMI)
    - 2. FHA requirements
    - 3. VA requirements
    - 4. Escrow/impound account
    - 5. Credit report
    - 6. Assumption requirements
    - 7. Appraisal requirements
    - 8. Hazard and flood insurance
    - 9. Federal financing and credit regulation

- C. Settlement/Closing
  - 1. Procedures and forms
  - 2. Closing costs and calculations
  - 3. Documents, title, and recording
- VII. Leases, rents, and property management (Salesperson 5, Broker 6)
  - A. Types and elements of leases
    - 1. Leasehold estates
    - 2. Types of leases
    - 3. Lease clauses and provisions
  - B. Lessor and lessee rights, responsibilities, liabilities, and recourse
    - 1. Owned and leased inclusions
    - 2. Reversionary rights of owners
    - 3. Rental related discriminatory laws
    - 4. Unit-related disclosures
    - 5. Effect of sale/transfer/foreclosure
    - 6. Evictions
    - 7. Tenant improvements
    - 8. Termination of a lease
    - 9. Breach
  - C. Property management contracts and obligations of parties
    - 1. Contracts and contractual relationships
    - 2. Manager's obligations, duties, liabilities
    - 3. Owner's obligations, duties, liabilities
    - 4. Management/owner math calculations

#### VIII. Brokerage operations (Salesperson 3, Broker 7)

- A. Broker management of funds
  - 1. Earnest money
  - 2. Commingling
  - 3. Conversion of funds
- B. Broker-salesperson relationship
- C. Advertising
- D. Ethical and legal business practices
  - 1. Misrepresentation
  - 2. Implied duty of good faith
  - 3. Due diligence
  - 4. Unauthorized practice of law
  - 5. Marketing practices
- E. Forms of business ownership
  - 1. Corporation
  - 2. Partnership (general and limited)
  - 3. Limited liability company
  - 4. Sole proprietorship
- F. Independent contractors vs. employee

#### **Bibliography**

- 1. *Agency Relationships in Real Estate*, Second Edition, 1994, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
- 2. Doing the Right Thing: A Real Estate Practitioner's Guide to Ethical Decision Making, Third Edition, 2001, South-Western Educational Publishing/ Thomson Learning, 10650 Toebben Drive, Independence, KY 41051, ecatalog. thomsonlearning.com.
- 3. *Mastering Real Estate Math, Seventh Edition, 2002, Dearborn Financial Publishing*, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
- 4. *Modern Real Estate Practice, Sixteenth Edition, 2003, Dearborn Financial Publishing*, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
- 5. *Real Estate Ethics, Good Ethics = Good Business, Third Edition*, 1995, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
- 6. *Real Estate Law*, Fifth Edition, 2003, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
- 7. *Real Estate Principles*, Ninth Edition, 2003, South-Western Educational Publishing/Thomson Learning, 10650 Toebben Drive, Independence, KY 41051, ecatalog.thomsonlearning.com
- 8. *The Essentials of Real Estate Finance*, Tenth Edition, 2000, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
- 9. *The Essentials of Practical Real Estate Law*, Third Edition, 2004, Thomson Delmar Learning, P.O. Box 6904, Florence, KY 41022, www.delmarlearning.com.
- 10. *The Language of Real Estate*, Fifth Edition, 2000, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.

### Arizona State Law Examination Content Outline For Real Estate Salesperson

#### Effective July 1, 2012

The state portion of the salesperson examination consists of ninety (90) questions, plus ten (10) pretest questions. The pretest questions are not identified and will not affect a candidate's score in any way.

#### 90 Questions, 75% Passing

#### 1. Real Estate Statutes 10 Questions

- A. Article XXVI Arizona Constitution
- B. Title 32, Chapter 20
  - 1. Powers and Duties of the Real Estate Commissioner
  - 2. Advisory Board
  - 3. Licensing
  - 4. General Licensing Requirements and Recovery Fund
  - 5. Activities Requiring a License
  - 6. Issuance, Renewal, Revocation and Suspension Procedures
- C. Arizona Consumer Fraud Protection Statutes

#### II. Property Interests and Tenancies – 9 Questions.

- A. Easements
- B. Community Property
- C. Cooperatives and Condominiums
- III. Water Law 3 Questions
- IV. Environmental Law 2 Questions
- V. Land Descriptions- 4 Question
- VI. Subdivisions 5 Questions
- VII. Encumbrances 5 Questions
- VIII.Acquisitions and Transfer of Title 12 Questions
  - A. Deeds
  - B. Title/Recordation
  - C. Homestead Exemptions
  - D. Common Interest Ownerships
    - 1. Timeshare
    - 2. Homeowner's Associations
- IX. Disclosure and Consumer Protection 5 Questions

#### X. Regulated Activities-Rules and Statutes – 12 Questions

- A. Advertising
- B. License Violations and Penalties
- C. Compensation/Commissions
- D. Record Keeping and Documentation
- E. Agency Relationships
- F. Handling of Funds
- XI. Finance and Property Tax 12 Questions
  - A. Financing Documents
  - B. Property Taxation Concepts
  - C. Foreclosure
- XII. Leasing and Property Management 7 Questions
  - A. Arizona Residential Landlord & Tenant Act
  - B. Property Management
    - 1. Contract
    - 2. Leasing Agreements
- XIII. Math Calculations 4 Questions
  - A. Property Taxation
  - **B.** Property Prorations
  - C. Financing

#### Bibliography

1.*Arizona Real Estate Law Book*, 2005-2006 Edition, Arizona Department of Real Estate, 2910 North 44th Street, Suite 100, Phoenix, AZ 85018, www. azre.gov.

2.Arizona Revised Statutes, Title 11-3 & 8, Title 12-9, Title 14-3 & 10, Title 25-2, Title 33, Title 42-1, and Title 49-1, 2006, http://www.azleg.state.az.us/
3.Outline of Prescribed Curriculum Arizona Real Estate Salesperson's License (Minimum 90 hours)
1/7/2006 www.azre.gov.

#### Effective 1/1/2011 for examination

### Arizona State Law Examination Content Outline For Real Estate Broker

#### Effective January 1, 2011

The state portion of the broker examination consists of one hundred (100) questions, plus ten (10) pretest questions. The pretest questions are not identified and will not affect a candidate's score in any way.

#### 100 Questions, 75% Passing

#### I. Real Estate Statutes - 15 Questions

- A. Real Estate Department Structure
- B. Licensing
- C. Practice of Brokerage
- D. Trust Fund/Accounts
- E. Recordkeeping
- F. Employment Agreements
- G. Collecting Compensations
- H. Grounds for License Denial/Penalties
- I. Consent Orders
- J. Property Management Requirements
- K. Statute of Frauds
- L. Subdivided/Un-subdivided Land
- M. Recovery Fund
- N. Affidavit of Disclosure

#### II. Administrative Code - 10 Questions

- A. License Time Frames
- B. License Requirements
- C. Education
- D. Advertising
- E. Commissions
- F. Documents
- G. Professional Conduct
- H. Investigations/Administrative Procedures

#### III. Agency Relationships - 5 Questions

- A. Law of Agency
- B. Fiduciary
- C. Due Diligence
- D. Employment/Representation Agreements

#### IV. Contract Law/Other Essentials - 2 Questions

- A. Contract Essentials
- B. Real Estate Contract Requirements per Arizona Statutes and Commissioner's Rules

#### V. Property Interests, Estates, and Tenancies - 5 Questions

- A. Estates
- B. Easements
- C. Tenancies
- D. Cooperative
- E. Condominium
- F. Timeshare
- G. Homestead
- H. Homeowner's Associations

#### VI. Government Rights - 5 Questions

- A. Eminent Domain
- B. Taxation/Property Tax Lien Sale
- C. Police Power
- D. Escheat

#### VII. Water Law - 6 Questions

- A. Water Sources
- B. Arizona Water Law
- C. Groundwater Act 1980
- D. Wetlands

#### VIII.Environmental Law/Disclosure - 5 Questions

- A. Regulations
- B. State Laws
- C. Liabilities
- D. Disclosure Issues
- E. Impact Studies

#### IX. Land Description - 4 Questions

- A. Metes and Bounds
- B. Rectangular Survey
- C. Lot and Block
- X. Land Development 2 Questions
  - A. Terminology
  - B. Zoning
  - C. Building Codes

- D. Builders Warrantees
- E. Licensing Requirements

#### XI. Real and Personal Property Transfer - 4 Questions

- A. Deeds/Bills of Sale
- B. Notices
- C. Adverse Possession
- D. Title Insurance
- E. Affidavit of Affixture

#### XII. Escrow and Settlement - 5 Questions

- A. Purpose
- B. Debits and Credits
- C. Disclosures

#### XIII.Lease/Leasehold Estates - 5 Questions

- A. Types of Leases
- **B.** Essential Elements
- C. Arizona Residential Landlord Tenant Act
- D. Statutory Considerations

#### XIV. Property Managment - 5 Questions

- A. Licensing
- B. Management Agreement
- C. Trust Account
- D. Rental Property Registration Requirements and Classification

#### XV. Financing Documents/Liens - 8 Questions

- A. Lien Theory/Title Theory
- B. Deeds of Trust/Mortgage
- C. Agreement for Sale
- D. Foreclosure/Forfeiture
- E. Post Foreclosed Remedies
- F. Mortgage Broker/Banker Regulations
- G. Lien Property
- H. Mechanic's Lien
- I. Judgments

#### XVI. Real Estate Office Management - 11 Questions

- A. Types of Ownership
- B. Operating a Real Estate Office
- C. Government Requirements
- D. Insurance
- E. Risk Management
- F Recordkeeping
- G. Accounting
- H. Supervision/Training
- I. Activities of Licensee

#### J. Broker Compliance

#### XVII.Disclosure/Consumer Protection - 3 Questions

- A. Stigmatized Property
- B. Consumer Protection
- C. Affiliated Business
- D. Military Installations

#### **Bibliography**

- Arizona Real Estate Law Book, 2008 Edition, Arizona Department of Real Estate, 2910 North 44th Street, Suite 100, Phoenix, AZ 85018, www.azre.gov.
- 2. Arizona Revised Statutes, Title 11-3 & 8, Title 12-9, Title 14-3 & 10, Title 25-2, Title 33, Title 42-1, and Title 49-1, 2006, http://www.azleg.gov/.
- Outline of Prescribed Curriculum Arizona Real Estate Broker's License (Minimum 90 hours) 1/7/2006 www.azre.gov.

#### Effective 1/1/2011 for examination

### Arizona State Law Examination Content Outline for Cemetery Salesperson and Broker

The salesperson examination consists of thirty (30) questions. The broker examination consists of forty (40) questions.

#### I. Cemetery associations

- A. Associations
- B. Corporations
- C. Duties of cemetery directors and officers

#### II. Cemetery ownership

- A. Plot ownership
- B. Deeds
- C. Certificates of ownership
- D. Contracts of sale
- E. Liens
- F. Leases

#### III. Cemetery management

- A. Establishing
- B. Dedicating
- C. Maintaining
- D. Managing
- E. Operating
- F. Improving
- G. Preserving
- H. Conducting

#### **IV.** Licensing and Regulation

- A. Organization and regulation of cemeteries
- B. Licensing and regulation of cemetery brokers and salespersons

#### V. Principles of practice

- A. Agent/principal obligations
- B. Principles of cemetery practice
- C. Business ethics in the sales and operation of cemeteries

#### Bibliography

- 1. *Arizona Real Estate Law Book*, 2008 Edition, Arizona Department of Real Estate, 2910 North 44th Street, Suite 100, Phoenix, AZ 85018, www.azre.gov.
- 2. Arizona Revised Statutes, Title 32, Chapter 20, Articles 2 & 6, http://www.azleg.gov/.

### Arizona State Law Examination Content Outline for Membership Campground Salesperson and Broker

The salesperson examination consists of thirty (30) questions. The broker examination consists of forty (40) questions.

#### I. Contracts

A. Agency contracts

#### II. Membership campgrounds

- A. Establishing
- B. Maintaining
- C. Managing
- D. Operating

#### III. Licensing and Regulation

- A. Organization and regulation of membership campgrounds
- B. Licensing and regulation of salespersons and brokers

#### **IV.** Principles of practice

- A. Agent/principal obligations
- B. Principles of membership campground practice
- C. Business ethics in the sales and operation of membership campgrounds

#### **Bibliography**

- 1. *Arizona Real Estate Law Book*, 2008 Edition, Arizona Department of Real Estate, 2910 North 44th Street, Suite 100, Phoenix, AZ 85018, www.azre.gov.
- 2. Arizona Revised Statutes, Title 32, Chapter 20, Articles 2 & 10, http://www.azleg.gov/.

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EXAMINATION TIME ALLOTTED		FEE	
Real Estate Salesperson	5 hours	\$75	
Real Estate Broker	5.25 hours	\$125	
Cemetery Salesperson	75 minutes	\$75	
Cemetery Broker	90 minutes	\$125	
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