Effective September 3, 2005
(Replaces pages 15-16 in the Hawaii Real Estate Candidate Handbook, January 2005 edition)

Promissor 2005 National Real Estate Examination Content Outline for Sales and Broker Examinations

Each examination consists of 80 scored questions and 5 pretest questions. Approximately ten percent of the scored questions involve mathematical computations.

I. Real property characteristics, definitions, ownership, restrictions, and transfer (Sales 16, Broker 15)
- A. Definitions, descriptions, and ways to hold title
  - 1. Elements of real and personal property
  - 2. Property description and legal description
  - 3. Estates in real property
  - 4. Forms, rights, interests, and obligations of ownership
- B. Land use controls and restrictions
  - 1. Public (e.g., zoning, taxation, police power)
  - 2. Private (e.g., liens, encumbrances, recording and priorities, subdivision/association rules)
- C. Transfer/alienation of title to real property
  - 1. Voluntary and involuntary
  - 2. Deeds, warranties, and defects in title

II. Property valuation and the appraisal process (Sales 6, Broker 6)
- A. Principles, types, and estimates of property value
- B. Investment analysis

III. Contracts and agency relationships with buyers and sellers (Sales 21, Broker 21)
- A. Contract elements, types (e.g., valid, enforceable), and terminology
- B. Types of contracts used in real estate
  - 1. Listing contracts
  - 2. Commission agreements
  - 3. Sales contracts
- C. Agency relationships and fiduciary responsibilities

IV. Property conditions and disclosures (Sales 6, Broker 6)
- A. Environmental issues and hazards and hazardous materials
- B. Material and other disclosures
- C. Liability considerations

V. Federal laws governing real estate activities (e.g., Federal Fair Housing Act, Americans with Disabilities Act, antitrust, marketing controls) (Sales 6, Broker 8)

VI. Financing the transaction and settlement (Sales 17, Broker 14)
- A. Financing components
  - 1. Financing instruments (e.g., notes, mortgages, contract for deed, deed of trust)
  - 2. Financing sources (e.g., primary and secondary mortgage markets, seller financing)
  - 3. Types of loans
  - 4. Financing concepts and terminology
- B. Lender requirements and obligations
- C. Settlement (including calculations)
  - 1. Procedures
  - 2. Closing costs
  - 3. Documents

VII. Leases, rents, and property management (Sales 6, Broker 6)
- A. Types and elements of leasehold estates, leases, lease clauses, and rental agreements
- B. Lessor and lessee rights, responsibilities, and recourse
- C. Property management contracts and obligations of parties

VIII. Brokerage operations (Sales 2, Broker 4)
- A. Broker management of funds
- B. Broker-salesperson relationship
- C. Advertising
- D. Ethical and legal business practices