



Arkansas Real Estate

## Content Outlines

- for examinations taken *before* March 1, 2012
- for examinations taken *on or after* March 1, 2012

# General Exam Content Outlines For Sales and Broker

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

The sales 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 (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**

**Arkansas Law Portion Content Outline  
For Sales and Broker Exams  
Arkansas State Laws, Rules, and Regulations**

The Arkansas law portion of the examination is made up of thirty (30) examination questions for salesperson candidates and forty (40) for broker candidates.

The examination has 10 pretest items for sales and 10 pretest items for broker.

- I. Duties and Powers of the Real Estate Commission (Sales: 4 questions, Broker: 4 questions)**
  - A. General Powers
  - B. Examination of Records
  - C. Investigations, hearings, and appeals
  - D. License suspension, revocation, and other sanctions
  - E. Recovery Fund
- II. Licensing Requirements (Sales: 2 questions, Broker: 3 questions)**
  - A. Activities requiring a license and exemptions
  - B. Types of licenses
  - C. Eligibility and requirements for licensing
  - D. License renewal
  - E. Change in license status or assignment
  - F. Change in licensee information—name and address(es)
  - G. Place of business requirements
- III. Statutory requirements governing the activities of licensees (Sales: 14 questions, Broker: 14 questions)**
  - A. Dealing independently of principal broker
  - B. Expiration date for listing contract
  - C. Broker responsibilities; executive brokers; part-time brokers
  - D. Advertising
  - E. Knowledge of property
  - F. Handling of funds; maintenance of records
  - G. Trust funds; trust accounts
  - H. Disbursement of trust funds
  - I. Agreements to be written
  - J. Self dealing
  - K. Offers and acceptances
  - L. List agreements; signs
- IV. Other statutory requirements (Sales: 2 questions, Broker: 3 questions)**
  - A. Membership in trade organization
  - B. Reporting violations
  - C. Criminal convictions and disciplinary actions
  - D. Violation of law or regulations
  - E. Time-shares
- V. Agency Relationships and Disclosures (Sales: 8 questions, Broker: 8 questions)**
  - A. Seller or lessor agents
  - B. Buyer or lessee agents
  - C. Dual agency
  - D. Failure to disclose
  - E. Fidelity and honest dealing
- VI. Broker's Practice and Requirements (Brokers ONLY) (Broker: 8 questions)**
  - A. Broker responsibilities
  - B. Trust accounts and transaction files
  - C. Management, policies, and procedures
  - D. Contracts, forms, addenda, legal
  - E. Agency and disclosure
  - F. Closing statements

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The sales 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.

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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**

# Effective on and after March 1, 2012

## Arkansas Law Portion Content Outline For Sales and Broker Exams Arkansas State Laws, Rules, and Regulations

The Arkansas law portion of the examination consists of thirty (30) scored items for salesperson candidates, and forty (40) scored items for broker candidates. Each examination also has ten (10) pretest (unscored) items. These pretest items are not identified and will not affect a candidate's score in any way.

### **I. Duties and Powers of the Real Estate Commission**

**(Sales: 4 items, Broker: 4 items)**

- A. General Powers
- B. Examination of Records
- C. Investigations, hearings, and appeals
- D. License suspension, revocation, and other sanctions, monetary penalties
- E. Recovery Fund

### **II. Licensing Requirements**

**(Sales: 2 items, Broker: 3 items)**

- A. Activities requiring a license and exemptions
- B. Types of licenses
- C. Eligibility and requirements for licensing
- D. License renewal
- E. Change in license status or assignment
- F. Change in licensee information—name and address(es)
- G. Place of business requirements

### **III. Statutory requirements governing the activities of licensees (Sales: 14 items, Broker: 14 items)**

- A. Dealing independently of principal broker
- B. Expiration date for agency, contracts
- C. Broker responsibilities; executive brokers; part-time brokers
- D. Advertising
- E. Knowledge of property
- F. Handling of funds; maintenance of records
- G. Trust funds; trust accounts
- H. Disbursement of trust funds
- I. Agreements to be written
- J. Self dealing
- K. Sales Contract
- L. Agency agreements; signage
- M. Broker price opinions
- N. Property management

### **IV. Other statutory requirements**

**(Sales: 2 items, Broker: 3 items)**

- A. Membership in trade organization
- B. Reporting violations
- C. Criminal convictions and disciplinary actions
- D. Violation of law or regulations
- E. Time-shares

### **V. Agency Relationships and Disclosures**

**(Sales: 8 items, Broker: 8 items)**

- A. Seller or lessor agents
- B. Buyer or lessee agents
- C. Dual agency and consent
- D. Failure to disclose agency representation
- E. Fidelity and honest dealing
- F. Required and waivable duties

### **VI. Broker's Practice and Requirements (Brokers ONLY: 8 items)**

- A. Broker responsibilities
- B. Trust accounts and transaction files
- C. Management, policies, and procedures
- D. Contracts, forms, addenda, legal
- E. Agency representation, duties and disclosure
- F. Closing statements
- G. Broker price opinions