

NEW LICENSING LAW QUIZ – OPEN BOOK

Name: _____

Date: _____

1. Who introduced the new licensing law bill to the legislature?
 - a. Department of Licensing
 - b. Washington Realtors
 - c. Attorney General
 - d. Governor
2. Which license is not a license but actually an endorsement?
 - a. Broker
 - b. Managing Broker
 - c. Firm
 - d. Designated Broker
3. What are the two types of endorsements:
 - a. Property Management
 - b. Designated Broker
 - c. Branch Manager
 - d. Firm
4. What are the 8 activities that comprise “real estate brokerage services?”
5. Which of the following must be a natural person?
 - a. Broker
 - b. Property Manager
 - c. Sales Manager
 - d. Managing Broker
6. Performing a broker’s price opinion is a licensable activity?
 - a. True
 - b. False
7. Advising or counseling a buyer or seller regarding areal estate transaction is a brokerage service
 - a. True
 - b. False
8. On July 1, 2010 all salespersons will be considered brokers.
 - a. True
 - b. False
9. I am currently a licensed salesperson and my license expires on March 2, 2011. The department will issue me a new broker’s license on:
 - a. July 1, 2010
 - b. Won’t be issued a license until the transition course is completed.
 - c. March 2, 2011
 - d. January 1, 2010
10. A person is exempt from having a real estate license to make referrals if they are not involved in the negotiation and the compensation is not contingent upon receipt of compensation by the real estate firm or licensee.
 - a. True
 - b. False

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11. A designated broker can delegate the duties of safe handling of client funds, trust account maintenance, and supervision of affiliated licensees to:
 - a. A broker acting as a sales manager
 - b. Another designated broker
 - c. A CPA, only if the records are not removed from the office
 - d. A managing broker affiliated with the firm
12. The new licensing law puts more emphasis on responsibility on the person performing brokerage services, thus designated brokers are not responsible for actions of affiliated licensees.
 - a. True
 - b. False
13. A real estate firm may have the following number of assumed names:
 - a. None, firms can only have DBA's
 - b. One, the DBA
 - c. Two
 - d. No limit
14. Listings, transactions, management agreements, and other contracts relating to providing brokerage services are the property of the:
 - a. Designated Broker
 - b. Managing Broker
 - c. The firm's owners
 - d. The firm
15. Advance fees are monies collected by a broker from a client *prior* to performing brokerages services. A real estate firm collects an advertising fee when taking a very expensive listing. The firm is going to use the fees to offset advertising costs for the firm. Advance fees are considered:
 - a. Reimbursement of advertising expenses
 - b. Taxable income of the managing broker
 - c. Non-refundable deposit for advertising expenses
 - d. Trust Funds
16. When the firm terminates a broker's or managing broker's services for a violation of the licensing law (RCW 18.85, RCW 18.86.030 or RCW 18.235), the firm shall immediately file with the department a:
 - a. Lis Pendens
 - b. Statement of charges
 - c. Notification of a cease and dismissal
 - d. Statement of the facts
17. How many firms can a broker be licensed to at any one time:
 - a. One
 - b. Two, provided there was no previous disciplinary action
 - c. Maximum of three
 - d. No limit

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18. How many firms can a managing broker be licensed to at any one time:
- One
 - Two, provided there was no previous disciplinary action
 - Maximum of three
 - No limit
19. A managing broker that hold a designated broker's endorsement can be designated broker for how many firms:
- One
 - Two, provided there was no previous disciplinary action
 - Maximum of three
 - No limit
20. If trust funds are claimed by more than one party, the designated broker or designated broker's delegate must promptly:
- File an interpleader
 - Keep funds in trust until permission to disburse is received from a the department
 - Notify the director of the department of licensing
 - Notify all contracting parties stating the intent to disburse funds and to whom
21. Each licensed real estate agent will establish a written policy that includes a procedure for referring home inspectors to buyers or sellers.
- True
 - False
22. A real estate licensee shall not solicit or accept anything of value from a title insurance company/representative that the title insurance company/representative is not permitted by law or rule to give:
- True
 - False
23. The transition course will:
- Take the place of core
 - Count as part of the continue education requirement
 - Required for all new applicants
 - All of the above
24. Fingerprints will be required for:
- All students taking fundamentals in anticipation of taking the real estate exam
 - All licensees on active status
 - Only applicants or licensees with criminal history
 - Only new applicants

REAL ESTATE WEB ADDRESS: <http://www.dol.wa.gov/business/realestate/>

List Serve: <http://www.dol.wa.gov/business/realestate/maillinglist.html>