



PSI Services, LLC
 3210 E Tropicana
 Las Vegas, NV 89121
 www.psiexams.com



MINNESOTA DEPARTMENT OF COMMERCE



**REAL ESTATE SALESPERSON, BROKER AND
 ABSTRACTER EXAMINATION
 CANDIDATE INFORMATION BULLETIN**

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Please refer to our website to check for the most updated information at www.psiexams.com

EXAMINATIONS BY PSI SERVICES, LLC

This Candidate Information Bulletin provides you with information about the examination and application process for obtaining a real estate license in the State of Minnesota.

Minnesota state laws stipulate that a person may not act as a real estate salesperson, broker or abstractor without first obtaining a license issued by the Minnesota Department of Commerce. To be licensed, you must pass an examination to confirm that you have attained at least a minimum level of knowledge regarding the principles, practices, statutes, and regulations relating to real estate.

The Minnesota Department of Commerce has contracted with PSI Services, LLC (PSI) to conduct the examination testing. PSI provides examinations through a network of computer examination centers in Minnesota. PSI works closely with the State to be certain that examinations meet local as well as national requirements in basic principles and examination development standards.

Following are the Minnesota real estate licensing examinations offered by PSI:

- Real Estate Salesperson
- Real Estate Broker
- Abstractor

APPLYING FOR A LICENSE

All questions and requests for information about licensure should be directed to the Department of Commerce.

Minnesota Department of Commerce
85 7th Place E, Suite 500
St. Paul, MN 55101-2198
Phone: 651-296-6319
FAX: 651-284-4107
Email: Licensing.Commerce@state.mn.us
Web:
www.commerce.state.mn.us

OUT-OF-STATE LICENSURE

Applicants who obtained licensing experience and real estate education in another state must be granted a waiver of salesperson requirements before applying for the broker's examination. To receive a waiver, the applicant must submit the following to the Minnesota Department of Commerce, Licensing Division:

- A background letter requesting the waiver;
- A Letter of Certification from the other state(s) in which licensed (this must indicate the dates of licensure in that state and if any formal action has ever been taken against the license); and
- Copies of certificates and/or official transcripts for all real estate education courses that have been completed.

BROKER CANDIDATES LICENSED IN ANOTHER STATE

Applicants who have taken a broker exam in another state and are currently licensed in that state are required to take only the state section of the exam. Candidates must apply to the Minnesota Department of Commerce, Licensing Division to obtain a waiver. Call the Minnesota Department of Commerce or visit the web site more information.

PRELICENSING EDUCATION REQUIREMENTS

Salesperson applicants must have satisfied the following education requirements before they take the examination:

- Complete ninety (90) hours of prelicense real estate education, including three 30-hour approved courses (Course I, II, III) and **complete Course I before taking the examination**. Lists of approved schools can be obtained from the Minnesota Department of Commerce website at www.commerce.state.mn.us or by calling the Department of Commerce at (651) 296-6319;
- Complete Course 1 and pass both portions of the real estate salesperson's examination within one year of each other. Courses II and III may be completed either before or after the examination, but must be completed within one year of taking the examination and prior to applying for your license.
- Apply for licensure within one year of passing the examination;
- By affiliation, work with a licensed Minnesota real estate broker; and
- Pay the appropriate licensing fee.

Broker applicants must have satisfied the salesperson education and examination requirements. Plus, they must complete the following education requirements **before** they take the broker examination:

- Have a minimum of two (2) years of actual licensed experience as a licensed real estate salesperson within the last five (5) years in Minnesota or in another state that has comparable requirements;
- Complete the thirty (30) hour broker course and pass the real estate broker's examination in the six months prior to the application;
- Apply for licensure; and
- Pay the appropriate licensing fee.

Abstractor applicants need only pass the examination and pay the appropriate fee. There are no prelicensing education requirements.

STUDY MATERIALS

In addition to reviewing the content outlines listed in this bulletin, applicants preparing for the test questions in the salesperson and broker examinations may wish to review the latest Minnesota statutes. These can be found on the web site for the state of Minnesota at www.leg.state.mn.us. This site is the source for the text of the statutes cited in the content outline for the state section, including Chapter 82, Real Estate Brokers and Salespersons.



EXAMINATION REGISTRATION AND SCHEDULING PROCEDURES

All questions and requests for information about examinations should be directed to PSI.

PSI Services, LLC
3210 E Tropicana
Las Vegas, NV 89121
(800) 733-9267 • Fax (702) 932-2666
www.psiexams.com

The Examination Registration Form is found at the end of this Candidate Information Bulletin. You must pay PSI at the time you register. Be sure the registration form is complete, accurate, signed, and that you include the correct fee. The registration form is valid for 1 examination.

The following fee table lists the applicable fee for each examination. The fee is for each examination, whether you are taking the examination for the first time or repeating.

The combined salesperson and broker examination is divided into two (2) portions: general and state. Candidates who pass one (1) portion of the examination and fail the other need to retake only the section they failed. Candidates do not need to retake the entire combined exam.

FEES

Examination	Registration Fee
Real Estate Salesperson - General Only	\$45.00
Real Estate Salesperson - State Only	\$45.00
Real Estate Salesperson - State & General Combo (taken at same time)	\$75.00
Real Estate Broker - General Only	\$45.00
Real Estate Broker - State Only	\$45.00
Real Estate Broker - State & General Combo (taken at same time)	\$75.00
Abstractor	\$45.00

NOTE: EXAMINATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. Your examination fee will be forfeited if you do not test within 1 year of the date your examination fee is received by PSI.

INTERNET REGISTRATION

For the fastest and most convenient test scheduling process, PSI recommends that candidates register for their exams using the Internet. In order to register over the Internet, candidates will need to have a valid MasterCard or Visa. Candidates register online by accessing PSI's registration website at www.psiexams.com. Internet registration is available 24 hours a day. In order to register by Internet, complete the steps below. For internet registration, you will need a valid VISA or MasterCard.

1. Log onto PSI's website and complete the associated registration form online and submit your information to PSI via the Internet.

2. Upon completion of the online registration form, you will be given the available exam dates and locations for scheduling your examination. Select your desired testing date

TELEPHONE REGISTRATION

The second fastest method of scheduling is via the telephone with PSI's Interactive Voice Response system (IVR) during non-business hours or through live registrars during business hours. For telephone registration, you will need a valid VISA or MasterCard.

Complete the Examination Registration Form, including your credit card number and expiration date, so that you will be prepared with all of the information needed to register by telephone.

Call (800) 733-9267, 24 hours a day and register using the Automated Registration System. Otherwise, PSI registrars are available Monday through Friday, between 6:30 am and 7:00 pm and Saturday, between 10:00 am and 4:00 pm, Central Time, to receive the information listed on your Examination Registration Form and schedule your appointment for the examination.

FAX REGISTRATION

For Fax registration, you will need a valid VISA or MasterCard.

Complete the Examination Registration Form, including your credit card number and expiration date.

3. Fax the completed form to PSI (702) 932-2666. Fax registrations are accepted 24 hours a day.
4. If your information is incomplete or incorrect, it will be returned for correction.

Please allow 4 business days to process your Registration. After 4 business days, you may call PSI to schedule the examination, (800) 733-9267.

STANDARD MAIL REGISTRATION

For those desiring to make payment for their examination using **cashiers checks** or **money orders**, or for those that simply do not wish to provide credit card information over the phone or Internet, you must use the Standard Mail Registration. In order to register, please follow the steps below.

Complete the PSI registration Form, and appropriate examination fee to PSI. Payment of fees can be made by money order or cashier's check. Money orders or cashier's checks should be made payable to PSI. Print your name on your cashier's check or money order to ensure that your fees are properly assigned. **CASH, COMPANY CHECKS, PERSONAL CHECKS ARE NOT ACCEPTED.**

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BE SURE TO READ ALL DIRECTIONS CAREFULLY BEFORE COMPLETING THE EXAMINATION REGISTRATION FORMS. IMPROPERLY COMPLETED FORMS WILL BE RETURNED TO YOU UNPROCESSED.

Please allow 2 weeks to process your Registration. After 2 weeks, you may call PSI to schedule the examination after 6:30 a.m., Central Time, (800) 733-9267.

RETAKE A FAILED EXAMINATION

To retake the examination, you only need to sit for the portion(s) you failed. For example, if you failed the State portion only, you need to retake just that portion. You must pass both portions of the real estate salesperson's examination within one year of the completion of Course I.

It is not possible to make a new examination appointment on the same day you have taken an examination; this is due to processing and reporting scores. A candidate who tests unsuccessfully on a Wednesday can call the next day, Thursday, and retest as soon as Friday, depending upon space availability. You may access a registration form at www.psiexams.com. You may also call PSI at (800) 733-9267. Please note that you may also use the automated system, using a touch-tone phone, 24 hours a day in order to schedule or reschedule an examination.

CANCELING AN EXAMINATION APPOINTMENT

You may cancel and reschedule an examination appointment without forfeiting your fee if your *cancellation notice is received 2 days before the scheduled examination date*. For example, for a Monday appointment, the cancellation notice would need to be received on the previous Saturday. You may call PSI at (800) 733-9267. Please note that you may also use the automated system, using a touch-tone phone, 24 hours a day in order to cancel and reschedule your appointment.

Note: A voice mail message is not an acceptable form of cancellation. Please use the Internet, automated telephone system (IVR), or call PSI and speak to a Customer Service Representative.

MISSED APPOINTMENT OR LATE CANCELLATION

Your registration will be invalid, you will not be able to take the examination as scheduled, and you will forfeit your examination fee, if you:

- Do not cancel your appointment 2 days before the schedule examination date;
- Do not appear for your examination appointment;
- Arrive after examination start time;
- Do not present proper identification when you arrive for the examination.

SPECIAL EXAMINATION ARRANGEMENTS

All examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and every reasonable accommodation will be made in meeting a candidate's needs. Applicants with disabilities or those who would otherwise have difficulty taking the examination must fill out the form at the end of this Candidate

Information Bulletin and fax to PSI (702) 932-2666. This form also includes out-of-state testing requests.

EXAMINATION SITE CLOSING FOR AN EMERGENCY

In the event that severe weather or another emergency forces the closure of an examination site on a scheduled examination date, your examination will be rescheduled. PSI personnel will attempt to contact you in this situation. However, you may check the status of your examination schedule by calling (800) 733-9267. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You may also check our website at www.psiexams.com.

SOCIAL SECURITY NUMBER CONFIDENTIALITY

PSI will use your social security number only as an identification number in maintaining your records and reporting your examination scores to the state. A Federal law requires state agencies to collect and record the social security numbers of all licensees of the professions licensed by the state.

EXAMINATION SITE LOCATIONS

The following directions are generated from the most current mapping services available. However, new road construction and highway modifications may result in some discrepancies. If you are not familiar with the specific area of the testing site, please consult a reliable map prior to your test date.

EDINA

6550 YORK AVE, SUITE 317

EDINA, MN 55435

FROM MN HWY 100, TAKE MN 62 EAST. EXIT ON XERXES AVENUE. TURN RIGHT (SOUTH) ON XERXES. JUST BEFORE THE NEXT TRAFFIC LIGHT, TURN RIGHT INTO AN OFFICE BUILDING COMPLEX. JUST BEFORE TURNING RIGHT INTO THE COMPLEX, YOU WILL SEE A SMALL INSURANCE BUILDING ON YOUR RIGHT. DON'T TURN THERE, TURN RIGHT AT THE DRIVEWAY AFTER THAT BUILDING. 6550 BUILDING IS A TALL OFFICE BUILDING AT THE TOP OF THE PARKING LOT.

DULUTH

416 WEST SUPERIOR STREET

DULUTH, MN 55802

GOING SOUTH ON MESABA, TURN LEFT ON FIRST ST. TURN RIGHT AT N 6TH AVE. TURN LEFT ON SUPERIOR ST. PSI IS LOCATED ON THE RIGHT HAND SIDE ON THE SECOND BLOCK. IT IS HALF A BLOCK DOWN FROM THE DULUTH PUBLIC LIBRARY.

LAKE ELMO

3275 MANNING AVE N

LAKE ELMO AIRPORT

LAKE ELMO, MN 55042

FROM I-94, HEAD NORTH ON MANNING AVE N/CR-15 - AT EXIT 253. HEAD NORTH FOR 3.6 MILES. TURN EAST ONTO THE AIRPORT. GO TO GATE A.

MANKATO

3030 AIRPORT RD.

MANKATO REGIONAL AIRPORT

MANKATO, MN 56001

FROM MANKATO, HEAD NORTH ON MN-22 FOR 2 MILES. TURN RIGHT AT 227TH ST/COUNTY HWY 12. FOLLOW HWY-12 FOR 2.7 MILES, THEN TURN RIGHT AT AIRPORT ROAD.



REPORTING TO THE EXAMINATION SITE

MOORHEAD

819 30TH AVE SOUTH, SUITE 108

MOORHEAD, MN, 56560

FROM I-494 W, MERGE ONTO I-94 W/US-52 N TOWARD ST. CLOUD (KEEP LEFT). TAKE THE US-75 EXIT TOWARD MOORHEAD. TURN LEFT ONTO S 8TH ST. TURN LEFT ONTO S 30TH AVE.

ROCHESTER

3155 SUPERIOR DRIVE NW

ROCHESTER, MN 55901

FROM HIGHWAY 14, GO NORTH ON HIGHWAY 52, EXIT AT 55TH STREET NW TO GO WEST. 55TH STREET NW/COUNTY ROAD 22/WEST CIRCLE DRIVE WILL VEER SLIGHTLY LEFT TURNING INTO 41ST AVENUE NW/COUNTY ROAD 22/WEST CIRCLE DRIVE. WHEN YOU HAVE GONE 2.2 MILES FROM 52 YOU WILL COME TO A TRAFFIC LIGHT AT VALLEYHIGH ROAD NW. TURN RIGHT, THEN TAKE THE FIRST, ALMOST IMMEDIATE LEFT ONTO SUPERIOR DRIVE NW. TAKE THE FIRST RIGHT INTO THE PARKING LOT. THEN TAKE THE SECOND RIGHT SO YOU ARE BEHIND THE UNITS THAT ARE FACING SUPERIOR DRIVE. PSI WILL BE THE SECOND-TO-LAST UNIT ON YOUR LEFT.

ST. CLOUD

1542 45TH AVE SE

ST. CLOUD AIRPORT

ST. CLOUD, MN 56304

TO ST. CLOUD REGIONAL AIRPORT FROM:

NORTH: ENTER US-10 EAST. FOLLOW US-10 TO 1.5 MILES SOUTH ONTO MN-23. TURN LEFT ON DELTONE RD/CO. 7 FOR 3 MILES.

EAST: ENTER MN-23 WESTBOUND UNTIL REACHING THE INTERSECTION WITH US-10. ENTER US-10 EAST FOR 1.5 MILES. TURN LEFT ON DELTONE RD/CO. 7 FOR 3 MILES.

SOUTH: ENTER US-10 WEST. FOLLOW US-10 TO DELTONE RD/CO. 7. TURN RIGHT ONTO DELTONE RD/CO. 7 FOR 3 MILES.

WEST: ENTER MN-23 EASTBOUND. FOLLOW MN-23 THRU THE CITY OF ST. CLOUD TO THE INTERSECTION WITH US-10. ENTER US-10 EAST AND FOLLOW FOR 1.5 MILES. TURN LEFT ON DELTONE RD/CO. 7 FOR 3 MILES.

AS YOU COME INTO THE AIRPORT, YOU WILL COME AROUND A CORNER AND THE MAIN TERMINAL WILL BE ON YOUR RIGHT HAND SIDE. DIRECTLY IN FRONT OF YOU WILL BE A YELLOW BUILDING THAT SAYS FLIGHT TRAINING AND PILOT SHOP. THIS IS THE BUILDING THE TESTING CENTER IS LOCATED IN. YOU CAN PARK IN THE MAIN TERMINAL OR GENERAL AVIATION LOT AND WALK TO THE YELLOW BUILDING.

THIEF RIVER FALLS

13892 AIRPORT DR

THIEF RIVER FALLS REGIONAL AIRPORT

THIEF RIVER FALLS, MN 56701

TAKE COUNTY ROAD #17 AND GO SOUTH OF THIEF RIVER FALLS 3 MILES TO THE THIEF RIVER FALLS REGIONAL AIRPORT. TAKE A RIGHT INTO THE AIRPORT AND PROCEED TO THE FIRST BUILDING ON THE RIGHT. A SIGN OUT FRONT IDENTIFIES THE BUILDING. WHEN ENTERING THE BUILDING PROCEED TO THE OFFICE AREA.

WOODBURY

6053 HUDSON RD, SUITE 210

WOODBURY, MN 55125

FROM I-94 GO SOUTH ON CENTURY TO THE FIRST LEFT (WHICH IS THE FRONTAGE ROAD ENTRANCE TO THE COUNTRY INN). ENTER THE OFFICE COMPLEX THROUGH THE SINCLAIR GAS STATION AND ALONG BACK OF THE INN. 6053 IS THE BUILDING DIRECTLY AHEAD. THE ENTRANCE ON THAT (WEST) SIDE IS ACTUALLY ON THE 2ND FLOOR. SUITE 210 IS DOWN THE CORRIDOR TO THE RIGHT. PLEASE USE THE WEST ENTRANCE ON SATURDAYS.

Additionally, PSI has examination centers in many other regions across the United States. You may take this examination at any of these locations by calling (800) 733-9267. You will need to speak with a Customer Service Rep to schedule outside of Minnesota.

On the day of the examination, you should arrive 30 minutes before your appointment. This extra time is for sign-in, identification, and familiarizing you with the examination process. *If you arrive late, you may not be admitted to the examination site and you will forfeit your examination registration fee.*

REQUIRED IDENTIFICATION

- You must provide 2 forms of identification. One must be a VALID form of government-issued identification (Driver's License, State ID, Passport) which bears your signature and has your photograph. The second ID must have your signature and preprinted legal name. All identification provided must match the name on the registration form and (if applicable) your Examination Eligibility Certificate.
- You must also provide proof of education. Salesperson and Broker candidates must bring one of the following to the test site on the day of the test:
 - Course 1 Certificate (30 hours)
This course certificate never expires
 - Expired license
 - Letter of Certificate/License History

For a retake examination candidates must bring the course certificate, or the failing score report.

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

If you cannot provide the required identification, you must call (800) 733-9267 at least 3 weeks prior to your scheduled appointment to arrange a way to meet this security requirement. *Failure to provide ALL of the required identification at the time of the examination without notifying PSI is considered a missed appointment and you will not be able to take the examination at that time.*

SECURITY PROCEDURES

The following security procedures will apply during the examination:

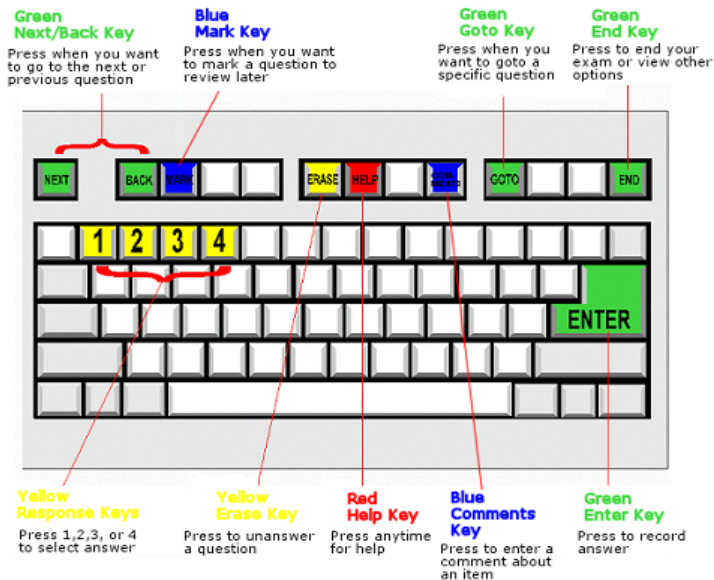
- NO conversing or any other form of communication among candidates is permitted once you enter the examination area.
- Please be advised that children, cell phones, pagers, cameras, programmable electronic devices and recording devices of any kind are NOT allowed to enter PSI testing centers. Additionally, **NO personal items are to enter the testing centers.** PSI will not be responsible for any personal items, and suggests that you leave such items in another safe place, of your choosing.
- Only non-programmable calculators that are silent, battery-operated, do not have paper tape printing capabilities, and do not have a keyboard containing the alphabet will be allowed in the examination site.
- No smoking, eating, or drinking will be allowed at the examination site.
- You may not exit the building during the examination.



- Copying or communicating examination content is a violation of PSI security policy and the State Law. Either one may result in the disqualification of examination results and may lead to legal action.

TAKING THE EXAMINATION BY COMPUTER

Taking the PSI examination by computer is simple. You do not need any computer experience or typing skills. You will use fewer keys than you use on a touch-tone telephone. All response keys are colored and have prominent characters. An illustration of the special keyboard is shown here. You may also use the mouse.



IDENTIFICATION SCREEN

You will be directed to a semiprivate testing station to take the examination. When you are seated at the testing station, you will be prompted to confirm your name, identification number, and the examination for which you are registered.

TUTORIAL

Before you start your examination, an introductory tutorial to the computer and keyboard is provided on the computer screen. The time you spend on this tutorial, up to 15 minutes, DOES NOT count as part of your examination time. Sample questions are included following the tutorial so that you may practice using the keys, answering questions, and reviewing your answers.

One question appears on the screen at a time. During the examination, minutes remaining will be displayed at the top of the screen and updated as you record your answers.

EXAMINATION QUESTION EXAMPLE

During the examination, you should press 1, 2, 3, or 4 to select your answer or press "MARK" to mark it for later review. You should then press "ENTER" to record your answer and move on to the next question. A sample question display follows:



IMPORTANT: After you have entered your responses, you will later be able to return to any question(s) and change your response, provided the examination time has not run out.

EXAMINATION REVIEW

PSI, in cooperation with the Minnesota Department of Commerce, will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. While taking the examination, examinees will have the opportunity to provide comments on any questions, by using the comments key on the keyboard. These comments will be analyzed by PSI examination development staff. PSI does not respond to individuals regarding these comments, all substantive comments are reviewed. **This is the only review of examination materials available to candidates.**

SCORE REPORTING

In order to pass the examinations, you must receive a score of at least 75% correct.

Your score will be given to you immediately following completion of the examination. The following summary describes the score reporting process:

- **On screen** - your score will appear immediately on the computer screen. This will happen automatically at the end of the time allowed for the examination;
 - If you **pass**, you will immediately receive a successful notification.
 - If you **do not pass**, you will receive a diagnostic report indicating your strengths and weaknesses by examination type with the score report.
- **On paper** - an unofficial score report will be printed at the examination site.

DUPLICATE SCORE REPORTS

You can write to PSI to request a duplicate of your score report.

TIPS FOR PREPARING FOR YOUR LICENSE EXAMINATION

The following suggestions will help you prepare for your examination.

- Only consider the actual information given in the question, do not read into the question by considering any possibilities or exceptions.
- Planned preparation increases your likelihood of passing.
- Start with a current copy of this Candidate Information Bulletin and use the examination content outline as the basis of your study.
- Read study materials that cover all the topics in the content outline.
- Take notes on what you study. Putting information in writing helps you commit it to memory and it is also an excellent business practice.
- Discuss new terms or concepts as frequently as you can with colleagues. This will test your understanding and reinforce ideas.
- Your studies will be most effective if you study frequently, for periods of about 45 to 60 minutes. Concentration tends to wander when you study for longer periods of time.

A Practice Examination Is Now Available online at
www.psiexams.com

Now you can take the practice exam online at
www.psiexams.com to prepare for your Minnesota Real Estate Examination.

Please note that practice exams are intended only to help testing candidates become familiar with the general types of questions that will appear on a licensing examination. They ARE NOT a substitute for proper education and study. Furthermore, scoring well on the practice exam does not guarantee a positive outcome on an actual licensing examination.

Note: You may take the practice exams an unlimited number of times, however you will need to pay each time.

EXAMINATION STUDY MATERIALS

The following is a list of possible study materials for the real estate examinations. The list is given to identify resources and does not constitute an endorsement by PSI or by the Minnesota Department of Commerce. Use the latest edition available.

NATIONAL PORTION OF THE EXAMINATION

Real Estate Fundamentals, 7th Edition, 2007, Gaddy and Hart, Dearborn Real Estate Education, 30 S. Wacker Drive, Chicago,

IL 60606-7481, (800) 972-2220, www.dearbornRE.com, ISBN 0793164710

Modern Real Estate Practice, 17th Edition, 2006, Galaty, Allaway, & Kyle, Dearborn Real Estate Education, , 30 S. Wacker Drive, Chicago, IL 60606-7481, (800) 972-2220, www.dearbornRE.com, ISBN 0793144280

Real Estate Principles & Practices, 8th Edition, 2009, Arlyne Geschwender, South-Western, a division of Thomson Learning, 5191 Natorp Blvd., Mason, OH 45040, (800) 730- 2214, www.swcollege.com, ISBN 0324187475

Real Estate Law, 7th Edition, 2009, Karp and Clayman, Dearborn Real Estate Education, 30 S. Wacker Drive, Chicago, IL 60606-7481, (800) 972-2220, www.dearbornRE.com, ISBN 0793149568

Real Estate Principles, 9th Edition, 2003, Charles Jacobus, South-Western, a division of Thomson Learning, 5191 Natorp Blvd., Mason, OH 45040, (800) 730-2214, www.swcollege.com, ISBN 0324143877 (10th Ed. In preparation)

The Language of Real Estate, 6th Edition, 2006, John Reilly, Dearborn Real Estate Education, 30 S. Wacker Drive, Chicago, IL 60606-7481, (800) 972-2220, www.dearbornRE.com, ISBN 0793131936

DESCRIPTION OF EXAMINATIONS

EXAMINATION SUMMARY TABLE

Examination	Portion	# of Items	Time Allowed
Salesperson	General	80	2.5 Hours
	State	40	1.5 Hours
	Combo (both portions)	120	4 Hours
Broker	General	80	2.5 Hours
	State	50	1.5 Hours
	Combo (both portions)	130	4 Hours
Abstracter		50	4 Hours

PRETEST ITEMS

In addition to the number of examination items specified, a small number of five to ten "pretest" questions may be administered to candidates during the examinations. These questions will not be scored and the time taken to answer them will not count against examination time. The administration of such non-scored experimental questions is an essential step in developing future licensing examinations.

CONTENT OUTLINES

The examination content outlines have been prepared and are periodically updated by committees of professionals who are subject matter experts in real estate practice, real estate instruction, and regulatory issues. The examination content outlines these professionals have prepared identify areas of importance to licensees in order for them to perform their duties to the public in a competent and legally responsible manner.



Use the outline as a guide for pre-examination review course material. The outlines list the topics that are on the examination and the number of questions for each topic. Do not schedule your examination until you are familiar with the topics in the outline

SALESPERSON/BROKER GENERAL PORTION

Property Ownership (Salesperson 6 Items, Broker 5 Items)

1. **Classes of Property**
 - a. Real versus Personal Property
 - b. Defining Fixtures
2. **Land Characteristics and Legal Descriptions**
 - a. Physical Characteristics of Land
 - b. Economic Characteristics of Land
 - c. Types of Legal Property Descriptions
 - d. Usage of Legal Property Descriptions
3. **Encumbrances**
 - a. Liens (Types and Priority)
 - b. Easements and Licenses
 - c. Encroachments
4. **Types of Ownership**
 - a. Types of Estates
 - b. Forms of Ownership
 - c. Leaseholds
 - d. Common Interest Properties
 - e. Bundle of Rights
5. **Physical Descriptions of Property**
 - a. Land and Building Area
 - b. Basic Construction Types and Materials

Land Use Controls and Regulations (Salesperson 5 Items, Broker 5 Items)

1. **Government Rights in Land**
 - a. Property Taxes and Special Assessments
 - b. Eminent Domain, Condemnation, Escheat
 - c. Police Power
2. **Public Controls Based in Police Power**
 - a. Zoning and Master Plans
 - b. Building Codes
 - c. Environmental Impact Reports
 - d. Regulation of special land types (floodplain, coastal, etc.)
3. **Regulation of Environmental Hazards**
 - a. Abatement, mitigation and cleanup requirements
 - b. Contamination levels and restrictions on sale or development of contaminated property
 - c. Types of hazards and potential for agent or seller liability.
4. **Private Controls**

- a. Deed Conditions or Restrictions
- b. Covenants (CC&Rs)
- c. HOA Regulations

Valuation and Market Analysis (Salesperson 8 Items, Broker 7 Items)

1. **Value**
 - a. Market Value and Market Price
 - b. Characteristics of Value
 - c. Principles of Value
 - d. Market Cycles and other Factors Affecting Property Value
2. **Methods of Estimating Value/Appraisal Process**
 - a. Market or Sales Comparison Approach
 - b. Replacement Cost or Summation Approach
 - c. Income Approach
 - d. Basic Appraisal Terminology (Replacement versus Reproduction Cost, Reconciliation, Depreciation, Kinds of Obsolescence)
3. **Competitive/Comparative Market Analysis (CMA)**
 - a. Selecting and Adjusting Comparables
 - b. Factors to Consider in a CMA
 - c. Contrast CMA, Broker Opinion of Value (BOV), Appraisal
 - d. Price/Square Foot
 - e. Gross Rent and Gross Income Multipliers
4. **When Appraisal by Certified Appraiser is Required**

Financing (Salesperson 7 Items, Broker 7 Items)

1. **General Concepts**
 - a. LTV Ratios, Points, Origination Fees, Discounts, Broker Commissions
 - b. Mortgage Insurance (PMI)
 - c. Lender Requirements, Equity, Qualifying Buyers, Loan Application Procedures
2. **Types of Loans**
 - a. Term or Straight Loans
 - b. Amortized and Partially Amortized (Balloon) Loans
 - c. Adjustable Rate Loans (ARMS)
 - d. Conventional versus Insured
 - e. Reverse mortgages; equity loans; subprime and other nonconforming loans
3. **Sources of Loan Money**
 - a. Seller/Owner Financing
 - b. Primary Market
 - c. Secondary Market
 - d. Down Payment Assistance Programs
4. **Government Programs**
 - a. FHA
 - b. VA



5. **Mortgages/Deeds of Trust**
 - a. Mortgage Clauses (Assumption, Due-On-Sale, Alienation, Acceleration, Prepayment, Release)
 - b. Lien Theory versus Title Theory
 - c. Mortgage/Deed of Trust and Note as Separate Documents
6. **Financing/Credit Laws**
 - a. Truth in Lending, RESPA, Equal Credit Opportunity
 - b. Mortgage Loan Disclosure and Seller Financing Disclosure
7. **Mortgage Fraud, Predatory Lending Practices (Risks to Clients)**
 - a. Usury and Predatory Lending Laws
 - b. Appropriate Cautions to Clients Seeking Financing

Laws of Agency (Salesperson 10 Items, Broker 11 Items)

1. **Laws, Definitions, and Nature of Agency Relationships**
 - a. Types of Agents/Agencies (Special, General, Designated, Subagent, etc.)
 - b. Possible Agency Relationships in a Single Transaction
 - c. Fiduciary Responsibilities
2. **Creation and Disclosure of Agency and Agency Agreements (General; Regulatory Details in State Portions)**
 - a. Creation of Agency and Agency Agreements
 - b. Express and Implied
 - c. Disclosure of Representation
 - d. Disclosure of Acting as Principal or other Conflict of Interest
3. **Responsibilities of Agent to Seller, Buyer, Landlord or Tenant as Principal**
 - a. Traditional Common Law Agency Duties ("COALD")
 - b. Duties to Client/Principal (Buyer, Seller, Tenant or Landlord)
 - c. Effect of Dual Agency on Agent's Duties
4. **Responsibilities of Agent to Customers and Third Parties**
5. **Termination of Agency**
 - a. Expiration
 - b. Completion/Performance
 - c. Termination by Operation of Law
 - d. Destruction of Property/Death of Principal
 - e. Termination by Acts of Parties

Mandated Disclosures (Salesperson 7 Items, Broker 8 Items)

1. **Property Condition Disclosure Forms**
 - a. Agent's Role in Preparation
 - b. When Seller's Disclosure Misrepresents Property Condition
2. **Warranties**
 - a. Types of available warranties

- b. Coverages provided
3. **Need for Inspection and Obtaining/Verifying Information**
 - a. Agent Responsibility to Verify Statements included in Marketing Information
 - b. Agent Responsibility to Inquire about "Red Flag" Issues
 - c. Responding to Non-Client Inquiries
4. **Material Facts Related to Property Condition or Location**
 - a. Land/Soil Conditions
 - b. Accuracy of Representation of Lot or Improvement Size, Encroachments or Easements affecting Use
 - c. Pest Infestation, Toxic Mold and other Interior Environmental Hazards
 - d. Structural Issues, including Roof, Gutters, Downspouts, Doors, Windows, Foundation
 - e. Condition of Electrical and Plumbing Systems, and of Equipment or Appliances that are Fixtures
 - f. Location with in Natural Hazard or Specially Regulated Area, Potentially Uninsurable Property)
 - g. Known Alterations or Additions
5. **Material Facts Related to Public Controls, Statutes or Public Utilities**
 - a. Local Zoning and Planning Information
 - b. Boundaries of School/Utility/Taxation Districts, Flight Paths
 - c. Local Taxes and Special Assessments, other Liens
 - d. External Environmental Hazards (lead, radon, asbestos, formaldehyde foam insulation, high-voltage power lines, waste disposal sites, underground storage tanks, soil or groundwater contamination, hazardous waste)
 - e. Stigmatized/Psychologically Impacted Property, Megan's Law Issues

Contracts (Salesperson 10 Items, Broker 10 Items)

1. **General Knowledge of Contract Law**
 - a. Requirements for Validity
 - b. Types of Invalid Contracts
 - c. When Contract is Considered Performed/Discharged
 - d. Assignment and Novation
 - e. Breach of Contract and Remedies for Breach
 - f. Contract Clauses (Acceleration, etc.)
2. **Listing Agreements**
 - a. General Requirements for Valid Listing
 - b. Exclusive Listings
 - c. Non-Exclusive Listings
3. **Management Agreements [Broker Only]**
4. **Buyer Broker Agreements/Tenant Representation Agreements**
5. **Offers/Purchase Agreements**
 - a. General Requirements



- b. When Offer becomes Binding (Notification)
 - c. Contingencies
 - d. Time is of the Essence
6. Counteroffers/Multiple Counteroffers
 - a. Counteroffer Cancels Original Offer
 - b. Priority of Multiple Counteroffers
 7. Lease and Lease-Purchase Agreements
 8. Options and Right of First Refusal
 9. Rescission and Cancellation Agreements

Transfer of Title (Salesperson 4 Items, Broker 6 Items)

1. Title Insurance
 - a. What is Insured Against
 - b. Title Searches/Title Abstracts/Chain of Title
 - c. Cloud on Title/Suit to Quiet Title
2. Conveyances After Death
 - a. Types of Wills
 - b. Testate vs. Intestate Succession
3. Deeds
 - a. Purpose of Deed, when Title Passes
 - b. Types of Deeds (General Warranty, Special Warranty, Quitclaim) and when Used
 - c. Essential Elements of Deeds
 - d. Importance of Recording
4. Escrow or Closing
 - a. Responsibilities of Escrow Agent
 - b. Prorated Items
 - c. Closing Statements/HUD-1
 - d. Estimating Closing Costs
5. Foreclosure, Short Sales
6. Tax Aspects of Transferring Title to Real Property
7. Special Processes [Broker Only]

Practice of Real Estate (Salesperson 12 Items, Broker 11 Items)

1. Trust Accounts (General; Regulatory Details in State Portions)
 - a. Purpose and Definition of Trust Accounts
 - b. Responsibility for Trust Monies
 - c. Commingling/Conversion
 - d. Monies held in Trust Accounts
2. Fair Housing Laws
 - a. Protected Classes
 - b. Covered Transactions
 - c. Specific Laws and their Effects
 - d. Exceptions
 - e. Compliance
 - f. Types of Violations and Enforcement

- g. Fair Housing Issues in Advertising
3. Advertising
 - a. Incorrect "Factual" Statements versus "Puffing"
 - b. Uninformed Misrepresentation versus Deliberate Misrepresentation (Fraud)
 - c. Truth in Advertising
 4. Agent Supervision
 - a. Liability/Responsibility for Acts of Associated Agents
 - b. Responsibility to Train and Supervise
 - c. Independent Contractors
 - d. Employees
 5. Commissions and Fees
 - a. Procuring Cause/Protection Clauses
 - b. Referrals and Finder Fees
 6. General Ethics
 - a. Practicing within Area of Competence
 - b. Avoiding Unauthorized Practice of Law
 7. Issues in Use of Technology (electronic signatures, document delivery, internet advertising)
 8. Antitrust Laws
 - a. Antitrust Laws and Purpose
 - b. Antitrust Violations in Real Estate

Real Estate Calculations (Salesperson 7 Items, Broker 5 Items)

1. General Math Concepts
 - a. Addition, Subtraction, Multiplication, and Division
 - b. Percentages/Decimals/ Fractions
 - c. Areas, including Acreage
2. Property Tax Calculations (not Prorations)
3. Lending Calculations
 - a. Loan-to-Value Ratios
 - b. Discount Points
 - c. Equity
 - d. Qualifying Buyers
4. Calculations for Transactions
 - a. Prorations (Utilities, Rent, Property Taxes, Insurance, etc.)
 - b. Commissions and Commission Splits
 - c. Seller's Proceeds of Sale
 - d. Total Money Needed by Buyer at Closing
 - e. Transfer Tax/Conveyance Tax/Revenue Stamps
5. Calculations for Valuation
 - a. Comparative Market Analyses (CMA)
 - b. Net Operating Income
 - c. Depreciation
 - d. Capitalization Rate
 - e. Gross Rent and Gross Income Multipliers (GIM, GRM)



6. Mortgage Calculations
 - a. Down Payment/Amount to be Financed
 - b. Amortization
 - c. Interest Rates
 - d. Interest Amounts
 - e. Monthly Installment Payments

Specialty Areas (Salesperson 4 Items, Broker 5 Items)

1. Property Management and Landlord/Tenant
2. Common Interest Ownership Properties
3. Subdivisions
4. Commercial, Industrial, and Income Property

MINNESOTA STATE CONTENT OUTLINE

Laws and Rules

Real estate brokerage license law Statutory References (Salesperson 18, Broker 23)

1. *Definitions Ch. 82 Real Estate Brokers and Salespersons*
2. *Licensing Ch. 82*
3. *Trust accounts Ch. 82*
4. *Standards of conduct Ch. 82*
5. *Commissioner's authority Ch. 45*
6. *Real Estate Education, Research, and Recovery Fund Ch. 82*
7. *Agency Ch. 82*
8. *Disclosure Ch. 82*

Interests in real property (Salesperson 8, Broker 10)

1. *Ownership*
 - a. Spousal interest Ch. 500.19
Ch. 507.02 Division
 - b. Subdivided Land Act Ch. 83 Subdivided Lands
 - c. Common interest ownership Ch. 515
Ch. 515A
Ch. 515B Condominiums
Uniform Condominium Act
Minnesota Common Interest Ownership Act
 - d. Real estate taxes and special assessments Ch. 279,
Ch. 469.061
2. *Landlords and tenants Ch. 504B Landlords and Tenants*

Conveyance Procedures and Protection of Parties (Salesperson 10, Broker 11)

1. *Recording and fees Ch. 508*
Ch. 287 Registration, Torrens
Mortgage Registry Tax; Deed Tax

2. *Statutory Home Warranties Ch. 327A.02 Statutory Warranties*
3. *Minnesota Human Rights Act Ch. 363A Department of Human Rights*
4. *Minnesota Statute of Frauds Ch. 513
Ch. 336.2A-201 Frauds*
5. *Spousal conveyance Sec. 507.02 Conveyances by spouses*
Sec. 500.19, Conveying interest directly
Subd. 4, 5 Severance of estates in joint tenancy
Sec. 519.06 Contracts between husband and wife
6. *Environmental Issues*
 - a. Septic systems Sec. 115.57 Individual Sewage Treatment Systems
 - b. Wells Sec. 103I.235 Real property sale; disclosure of location of wells
 - c. Lead-based paint 42 USCS, 4852c; d Guidelines; Disclosure of information concerning lead
 - d. Leaking underground storage tanks
Sec. 116.46-48 Pollution Control Agency
Sec. 115C.01-09 Petroleum Tank Release

Financial Instruments: Obligations, Rights, Remedies (Salesperson 4, Broker 6)

1. *Mortgages/contracts for deed*
 - a. Foreclosures/cancellation and redemption rights
Ch. 580 Mortgages; Foreclosure by Advertisement
Ch. 581 Mortgages; Foreclosure by Action
Ch. 582 Mortgages; Foreclosure, General Provisions
 - b. Sec. 559.21 Contract for Deed
 - c. Ch. 510 Homestead Exemptions
2. *Liens Ch. 514 Liens; Labor, Material*

ABSTRACTER

Legal description and elements of real property (10 items)

1. Definitions and components of real property
 - a. Methods of legal description
 - b. Estates in real property
 - c. Forms of ownership
2. Transfer / alienation of real property
 - a. Deeds
 - i. Types
 - ii. Characteristics / elements
 - iii. Warranties
3. Land use controls
 - a. Public
 - b. Private/Convenants, conditions, and restrictions (CC&Rs)
4. Condominium Law

Documents (15 items)

1. Conveyance
 - a. Recording
 - b. Torrens
2. Encumbrances



- a. Types and priorities of liens
- b. Easements
- c. Encroachments

- 4. Legal description in abstract
- 5. Searches (including judgments in favor of the U.S.)
- 6. Certification

Research and Compilation of Abstract (20 items)

- 1. Indexes
- 2. Search requirements and techniques
- 3. Documents and Entries

Licensing and Professional Conduct (5 items)

- 1. Licensing requirements
- 2. Prohibited conduct

SCHOOL CODE	NAME OF SCHOOL
22	ALEXANDRIA TECHNICAL COLLEGE
967	AMER SOCIETY FARM MGRS RURAL APPRAISERS/CO
976	APPRAISAL INSTITUTE
25	CENTRAL LAKES COLLEGE
27	DAKOTA COUNTY TECHNICAL COLLEGE
8415	JAMES T SONCRANT
244	KAPLAN PROFESSIONAL SCHOOLS formerly PROSOURCE
21005163	KEY-SMART CONTINUING EDUCATION SCHOOL
28	LAKE SUPERIOR COLLEGE
21001859	MINNESOTA LAND TITLE ASSOCIATION
9999	OTHER
66	RIDGEWATER COMMUNITY TECH COLLEGE
266	ST CLOUD STATE UNIVERSITY
365	UNIVERSITY ST THOMAS/COLLEGE OF BUSINESS
8972	WACHOVIA APPRAISAL TRAINING



SPECIAL ARRANGEMENT REQUEST FORM OR OUT-OF-STATE TESTING REQUEST

All examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990. Applicants with disabilities or those who would otherwise have difficulty taking the examination may request special examination arrangements.

Candidates who wish to request special arrangements because of a disability should fax this form and supporting documentation to PSI at (702) 932-2666.

Requirements for special arrangement requests

You are required to submit documentation from the medical authority or learning institution that rendered a diagnosis. Verification must be submitted to PSI on the letterhead stationery of the authority or specialist and include the following:

- Description of the disability and limitations related to testing
- Recommended accommodation/modification
- Name, title and telephone number of the medical authority or specialist
- Original signature of the medical authority or specialist

Date _____

Legal Name: _____
Last Name First Name

Address: _____
Street City, State, Zip Code

Telephone : (____) _____ - _____ (____) _____ - _____
Home Work

Email Address: _____

Check any special arrangements you require (requests must concur with documentation submitted):

- Reader (as accommodation for visual impairment or learning disability)
- Extended Time (Additional time requested: _____)
- Large-Print written examination
- Other _____
- Out-of-State Testing Request (this request does not require additional documentation) _____

Site requested: _____

- Complete and fax this form, along with supporting documentation, to (702) 932-2666.
- After 4 business days, please call 800-733-9267 x6750 and leave a voice message.
- PSI Special Accommodations will call you back to schedule the examination within 48 hours.

DO NOT SCHEDULE YOUR EXAMINATION UNTIL THIS DOCUMENTATION HAS BEEN RECEIVED AND PROCESSED BY PSI SPECIAL ACCOMMODATIONS.



PSI Services, LLC
3210 E Tropicana
Las Vegas, NV 89121

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