



PSI Services LLC
3210 E Tropicana
Las Vegas, NV 89121
<https://test-takers.psiexams.com/ctre>

*Before paying for
your examination registration,
be sure you understand
the contents of this bulletin.
Please retain and use it as a reference
when contacting PSI.*

CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION

REAL ESTATE SALESPERSON AND BROKER LICENSING CANDIDATE INFORMATION BULLETIN

Please refer to our website to check for the most updated information at <https://test-takers.psiexams.com/ctre>

TABLE OF CONTENTS

Introduction.....	1
Scheduling Procedures	1
Examination Site Locations.....	2
Reporting to the Examination Site	3
Taking the Examination by Computer.....	4
Score Reporting	4
Description of Examinations & Examination Content Outlines.....	4
Examination Study Materials	10
Sample Questions	11
License Application Instructions	12

Please direct all questions and requests for information about **examinations** to:

PSI Services LLC
3210 E Tropicana
Las Vegas, NV 89121
<https://test-takers.psiexams.com/ctre>
(855) 746-8171
FAX (702) 932-2666 ● TDD (800) 735-2929

Questions about **licensure** applications should be directed to the:

Connecticut Department of Consumer Protection
License Services Division
450 Columbus Boulevard, Suite 801
Hartford, Connecticut 06103
Phone: (860) 713-6000
E-Mail: Dcp.licenseservices@ct.gov
Agency Web site: www.ct.gov/dcp

INTRODUCTION

This candidate licensing information bulletin provides information about the license examination and the application process for becoming licensed as a real estate salesperson or Broker in the State of Connecticut. To be licensed, you must:

**** State Approval Required Prior To Examination**

<https://portal.ct.gov/dcp> **

1. Before an individual can take an examination for licensure, an application must be filed with the State of Connecticut, Department of Consumer Protection <https://portal.ct.gov/dcp>
2. Once an individual is approved, the individual's name is forwarded from the State of Connecticut, Department of Consumer Protection to PSI.
3. PSI will then send the applicant information on how to register to take the examination.
4. You must pass an examination to confirm that you have attained at least a minimum level of knowledge regarding the laws and regulations concerning the real estate profession.
5. You must submit the original examination passing score report(s), and the initial license fee, as indicated on such documents, to the Licensing Services. Payment of the license fee **MUST** be made within two (2) years of passing the last portion of the examination; otherwise a new application, along with the appropriate fee, must be submitted to the Department of Consumer Protection in order to be eligible to retest.

Once the Department of Consumer Protection has verified that you have met all of the requirements for licensure, they will issue the appropriate license.

The Connecticut Department of Consumer Protection, Occupational and Professional Licensing have contracted with PSI to conduct its examination program. PSI works closely with the Department of Consumer Protection to be certain that examinations meet local requirements and test development standards.

Alternatively, contact:

LICENSE SERVICES DIVISION

Connecticut Department of Consumer Protection

450 Columbus Boulevard, Suite 801

Hartford, CT. 06103

Phone: 860-713-6000

Fax: 860-713-7229

Agency Web site: www.ct.gov/dcp

Questions could also be directed to Dcp.licenseservices@ct.gov.

SCHEDULING PROCEDURES

All candidates for the Salesperson and Broker examinations must be preapproved by The Department of Consumer Protection **BEFORE** you schedule your examination.

- You may take the examination on an unlimited basis for up to one year from the date of eligibility.
- You must pass both portions of the examination within one (1) year of eligibility.
- If you do not pass both portions within one year, you must reapply with the 'Department of Consumer Protection.

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.

EXAMINATION FEE \$59

- For first time testing, the fee is \$59 for both examination portions, regardless if you take one or both examination portions.
- Examination retakes are \$51 for both examination portions and \$51 for one examination portion.

NOTE: REGISTRATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE.

INTERNET SCHEDULING

For the fastest and most convenient examination scheduling process, PSI recommends that you register for your examinations using the Internet. You register online by accessing PSI's registration website <https://test-takers.psiexams.com/ctre>. Internet registration is available 24 hours a day.

Log onto PSI's website and select Sign in / Create Account. Select Create Account. You are now ready to pay and schedule for the exam. Enter your zip code and a list of the testing sites closest to you will appear. Once you select the desired test site, available dates will appear.

TELEPHONE SCHEDULING

For telephone registration, you will need a valid credit card (VISA, MasterCard, American Express or Discover). PSI registrars, (855) 746-8171, are available Monday through Friday between 7:30 am and 10:00 pm, and Saturday-Sunday between 9:00 am and 5:30 pm, Eastern Time.

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 (855) 746-8171 or use the PSI website.

Note: A voice mail message is NOT an acceptable form of cancellation.

SCHEDULING A RE-EXAMINATION

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 <https://test-takers.psiexams.com/ctre>. You may also call PSI at (855) 746-8171.

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.

EXAM ACCOMMODATIONS

All PSI examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and exam accommodations will be made in meeting a candidate's needs. A candidate with a disability or a candidate who would otherwise have difficulty taking the examination should request for alternative arrangements by [Clicking Here](#).

Candidates granted accommodation in accordance with the ADA, MUST schedule their examination by telephone and speak directly with a PSI registrar.

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 (855) 746-8171. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You may also check our website at <https://test-takers.psiexams.com/ctre>.

EXAMINATION SITE LOCATIONS

The PSI Real Estate Licensing examinations are administered at the examination centers listed below:

West Hartford

1245 Farmington Ave, Suite 203
West Hartford, CT 06107

From I-84 West, take exit 40 toward CT-71/New Britain Ave/Corbins Corner. Turn right onto Ridgewood Rd. Turn left onto Wood Pont Rd. Turn left onto Tunxis Rd. Turn right onto Brookmoor Rd. Turn right onto Buena Vista Rd. Turn left onto Everett Ave. Turn right onto Farmington Ave. Destination is on the right.

Milford

500 BIC Drive
Suite 105

Milford, CT 06461

From Highway I-95 exit 35. Go toward BIC Drive. Go .5 miles to 500 BIC Drive which is at Gate 1 of the former BIC complex. Go to the rear of the lot and park. Walk down the hill in front of the building and enter the front door. Signs will direct you to Suite 101 (PSI).

Auburn

48 Sword St, Unit 204
Auburn, MA 01501

From Southbridge St/MA-12, turn left onto Sword St.

Boston

56 Roland St., Suite 305
Washington Crossing
Charlestown, MA 02129

From the North: Take I-93 South. Exit 28 -Boston/Sullivan Sq./Charlestown. Merge into Mystic Ave. Take I-93S Ramp to Boston/Sullivan Sq./Charlestown (take ramp do not get on highway). Make slight left turn on to Maffa Way. Make slight right turn on to Cambridge Street. At first traffic light, make left on to Carter Street. Turn right on to Roland Street. End at 56 Roland. Enter through North lobby. Do NOT park in the building's parking lot.

From the South: Take I-93 North. Exit 28 - Rt 99/Sullivan Sq./Somerville. Make left on to Cambridge St. At first traffic light, make left on to Carter Street. Turn right on to Roland Street. End at 56 Roland Street (Building on left, Parking lot on right). Enter through North lobby. Do NOT park in the building's parking lot.

Fall River

218 South Main St, Suite 105
Fall River, MA 02721

From the North take Rte. 245 to 79S. Take Route 138S Exit. Bear right off exit. Go left at first traffic light. Take left at the second traffic light (top of hill) onto So Main St. 218 is 2 blocks down on the right. Parking: Go past 218 SO Main to 2nd light. Take right. Take another right at next traffic light. Third St parking Garage is on your right.

Springfield

1111 Elm Street, Suite 32A
West Springfield, MA 01089

Going East on Mass Pike (Rt. 90). Take Exit 4 - West Springfield/Holyoke. Turn right on West Springfield/Rt. 5 South. Continue on Rt. 5 approximately two miles. Turn right on Elm St. - immediately after Showcase Cinemas. Office is approximately 1/4 mile on the right.



Going West on Mass Pike (Rt. 90). Take Exit 4 - West Springfield/Holyoke. Follow as above.

Additionally, PSI has examination centers in many other regions across the United States. You may take the written examination at any of these locations by filling out and faxing the Out-of-State Testing Request form found at the end of this bulletin.

REPORTING TO THE EXAMINATION SITE

On the day of the examination, you should arrive at least 15 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 AT EXAMINATION SITE

Candidates need to provide one (1) form of identification.

Candidates must register for the exam with their LEGAL first and last name as it appears on their government issued identification. The required identification below must match the first and last name under which the candidate is registered. Candidates are required to bring one (1) form of a valid (non-expired) signature bearing identification to the test site.

REQUIRED IDENTIFICATION (with photo) - Choose One

- State issued driver's license
 - State issued identification card
 - US Government Issued Passport
 - US Government Issued Military Identification Card
 - US Government Issued Alien Registration Card
 - Canadian Government Issued ID
- NOTE: ID must contain candidate's photo, be valid and unexpired.

SECURITY PROCEDURES

The following security procedures will apply during the examination:

- 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.
- Candidates may take only approved items into the examination room.
- All personal belongings of candidates should be placed in the secure storage provided at each site prior to entering the examination room. Personal belongings **include, but are not limited to**, the following items:
 - **Electronic devices of any type, including cellular / mobile phones, recording devices, electronic watches, cameras, pagers, laptop computers, tablet computers (e.g., iPads), music players**

(e.g., iPods), smart watches, radios, or electronic games.

- **Bulky or loose clothing or coats** that could be used to conceal recording devices or notes. For security purposes outerwear such as, but not limited to: open sweaters, cardigans, shawls, scarves, hoodies, vests, jackets and coats are not permitted in the testing room. **In the event you are asked to remove the outerwear, appropriate attire, such as a shirt or blouse should be worn underneath.**
- **Hats or headgear not worn for religious reasons** or as religious apparel, including hats, baseball caps, or visors.
- **Other personal items**, including purses, notebooks, reference or reading material, briefcases, backpacks, wallets, pens, pencils, other writing devices, food, drinks, and good luck items.
- Although secure storage for personal items is provided at the examination site for your convenience, PSI is not responsible for any damage, loss, or theft of any personal belongings or prohibited items brought to, stored at, or left behind at the examination site. PSI assumes no duty of care with respect to such items and makes no representation that the secure storage provided will be effective in protecting such items. If you leave any items at the examination site after your examination and do not claim them within 30 days, they will be disposed of or donated, at PSI's sole discretion.
- Person(s) accompanying an examination candidate may not wait in the examination center, inside the building or on the building's property. This applies to guests of any nature, including drivers, children, friends, family, colleagues or instructors.
- No smoking, eating, or drinking is allowed in the examination center.
- During the check in process, all candidates will be asked if they possess any prohibited items. Candidates may also be asked to empty their pockets and turn them out for the proctor to ensure they are empty. The proctor may also ask candidates to lift up the ends of their sleeves and the bottoms of their pant legs to ensure that notes or recording devices are not being hidden there.
- Proctors will also carefully inspect eyeglass frames, tie tacks, or any other apparel that could be used to harbor a recording device. Proctors will ask to inspect any such items in candidates' pockets.
- If prohibited items are found during check-in, candidates shall put them in the provided secure storage or return these items to their vehicle. PSI will not be responsible for the security of any personal belongings or prohibited items.
- Any candidate possessing prohibited items in the examination room shall immediately have his or her test results invalidated, and PSI shall notify the examination sponsor of the occurrence.
- Any candidate seen giving or receiving assistance on an examination, found with unauthorized materials, or who violates any security regulations will be asked to surrender all examination materials and to leave the examination center. All such instances will be reported to the examination sponsor.



- Copying or communicating examination content is violation of a candidate’s contract with PSI, and federal and state law. Either may result in the disqualification of examination results and may lead to legal action.
- Once candidates have been seated and the examination begins, they may leave the examination room only to use the restroom, and only after obtaining permission from the proctor. Candidate will not receive extra time to complete the examination.

TAKING THE EXAMINATION BY COMPUTER

The examination will be administered via computer. You will be using a mouse and computer keyboard.

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 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 answering questions, and reviewing your answers.

TEST QUESTION SCREEN

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.

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 Connecticut Department of Consumer Protection, 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 clicking the Comments link on the function bar of the test question screen.

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 **Salesperson** examinations, you must receive a score of at least **70%**.

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

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.

DUPLICATE SCORE REPORTS

You may request a duplicate score report after your examination by emailing scorereport@psionline.com.

Now you can take the practice exam online at [National Real Estate Practice Examination](#) to prepare for your Connecticut 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.

DESCRIPTION OF EXAMINATIONS & EXAMINATION CONTENT OUTLINES

The Examination Content Outlines have been approved by the Occupational and Professional Licensing Division In conjunction with the Connecticut Real Estate Commission. These outlines reflect the minimum knowledge required by the real estate professionals to perform their duties to the public in a competent and responsible manner. Changes in the examination content will be preceded by changes in these published examination content outlines.

Use the outlines as the basis of your study. The outlines list all of the topics that are on the test and the number of items for each topic. Do not schedule your examination until you are familiar with all topics in the outlines.

The following Examination Summary Table shows the number of questions and the time allowed for each exam portion. The examinations are closed book.

EXAMINATION SUMMARY TABLE			
Exam	Portion	No. of Questions	Time Allowed
Salesperson	General	80 (80 points)	120 Minutes
	State	30 (30 points)	45 Minutes
	Both	110 (110 points)	165 Minutes
Broker	General	75 (80 points)	120 Minutes
	State	40 (40 points)	60 Minutes
	Both	115 (120 points)	180 Minutes

Note: National broker exams include questions that are scored up to two points.

EXPERIMENTAL QUESTIONS

In addition to the number of questions per examination, a small number of five to ten “experimental” 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.

NATIONAL PORTION CONTENT OUTLINE

I. Property Ownership (*Sales 10%*) (*Broker 10%*)

A. Real and personal property; conveyances

B. Land characteristics and legal descriptions

1. Metes and bounds method of legal property description
2. Lot and block (recorded plat) method of legal property description
3. Government survey (rectangular survey) method of legal property description
4. Measuring structures (linear and square footage)
5. Land measurement

C. Encumbrances and effects on property ownership

1. Types of liens and their effect on the title and value of real property
2. Easements, rights of way and licenses, including their effect on the title, value and use of real property
3. Encroachments and their effect on the title, value and use of real property
4. Potential encumbrances on title, such as probate, leases, or adverse possession
5. Property rights that may be conveyed separately from use of the land surface, such as mineral and other subsurface rights, air rights, or water rights

D. Types of ownership

1. Ownership in severalty/sole ownership
2. Implications of ownership as tenants in common

3. Implications of ownership in joint tenancy
4. Forms of common-interest ownership, such as Timeshares, Condominiums and Co-ops
5. Property ownership held in a trust or by an estate
6. Ownership by business entities
7. Life Estate ownership

II. Land use Controls (*Sales 5%*) (*Broker 5%*)

A. Government rights in land

1. Government rights to impose property taxes and special assessments
2. Government rights to acquire land through eminent domain, condemnation and escheat

B. Government controls on land use

C. Private controls

1. Deed conditions or restrictions on property use
2. Subdivision covenants, conditions and restrictions (CC&Rs) on property use
3. Condominium and owners’ associations regulations or bylaws on property use

III. Valuation (*Sales 8%*) (*Broker 8%*)

A. Appraisals

1. Appraisals for valuation of real property
2. Situations which require appraisal by a licensed or certified appraiser and brokerage-related actions that constitute unauthorized appraisal practice
3. General steps in appraisal process

B. Estimating Value

1. Economic principles and property characteristics that affect value of real property
2. Sales or market comparison approach to property valuation and appropriate uses
3. Cost approach to property valuation and appropriate uses
4. Income analysis approach to property valuation and appropriate uses

C. Comparative Market Analysis (CMA)

1. Competitive/Comparative Market Analysis (CMA), BPO or equivalent
2. Automated Valuation Method (AVM), appraisal valuation and Comparative Market Analysis (CMA)

IV. Financing (*Sales 10%*) (*Broker 9%*)

A. Basic Concepts and Terminology

1. Loan financing (for example, points, LTV, PMI, interest, PITI)
2. General underwriting process (e.g., debt ratios, credit scoring and history)
3. Standard mortgage/deed of trust clauses and conditions
4. Essential elements of a promissory note

B. Types of Loans

1. Conventional loans
2. Amortized loans, partially amortized (balloon) loans, interest-only loans
3. Adjustable-rate mortgage (ARM) loans
4. Government Loans
 - a. FHA insured loans

- b. VA guaranteed loans
- c. USDA/Rural Development loan programs
- 5. Owner financing (for example, installment or land contract/contract for deed)
- 6. Reverse-mortgage loans
- 7. Home equity loans and lines of credit
- 8. Construction loans
- 9. Rehab loans
- 10. Bridge loans

C. Financing and Lending

- 1. Real Estate Settlement Procedures Act (RESPA), including kickbacks
- 2. Truth-in-Lending Act (Regulation Z), including advertising
- 3. Requirements and time frames of TRID (TILA-RESPA Integrated Disclosures)
- 4. Equal Credit Opportunity Act
- 5. Lending Process (application through loan closing)
- 6. Risky loan features, such as prepayment penalties and balloon payments

V. Contracts (Sales 19%) (Broker 19%)

A. General Contract Law

- 1. General principles of contract law
- 2. Elements necessary for a contract to be valid
- 3. Effect of the Statute of Frauds
- 4. Offer and a contract
- 5. Enforceability of contracts
- 6. Void, voidable and unenforceable contracts
- 7. Bilateral and unilateral contracts
- 8. Nature and use of option agreements
- 9. Notice, delivery, acceptance and execution of contracts
- 10. Appropriate use, risks, and advantages of electronic signatures and paperless transactions
- 11. Rights and obligations of the parties to a contract
- 12. Possible remedies for breach or non-performance of contract
- 13. Termination, rescission and cancellation of contracts

B. Purchase and Lease Contracts

- 1. Addenda and amendments to contracts
- 2. Purchase agreements
- 3. Contract contingencies and methods for satisfying them
- 4. Leases and rental agreements
- 5. Lease-purchase agreements
- 6. Types of leases

C. Proper handling of multiple offers and counteroffers

VI. Agency (Sales 13%) (Broker 13%)

A. Agency and non-agency relationships

- 1. Agency relationships and how they are established
- 2. Types of listing contracts

- 3. Buyer brokerage/tenant representation contracts
- 4. Other brokerage relationships, including transaction brokers and facilitators
- 5. Powers of attorney and other assignments of authority
- 6. Conditions for termination of agency or brokerage service agreements

B. Agent Duties

- 1. Fiduciary duties of agents
- 2. Agent's duties to customers/non-clients, including honesty and good faith

C. Agency Disclosures

- 1. Disclosure of agency/representation
- 2. Disclosure of possible conflict of interest or self-interest

VII. Property Disclosures (Sales 7%) (Broker 7%)

A. Property Condition

- 1. Seller's property condition disclosure requirements
- 2. Property conditions that may warrant inspections or a survey
- 3. Red flags that warrant investigation of public or private land use controls

B. Environmental and Government Disclosures

- 1. Environmental issues requiring disclosure
- 2. Federal, state, or local disclosure requirements regarding the property

C. Disclosure of material facts and material defects

VIII. Property Management (Sales 3%) (Broker 5%)

A. Duties and Responsibilities

- 1. Procurement and qualification of prospective tenants
- 2. Fair housing and ADA compliance specific to property management
- 3. How to complete a market analysis to identify factors in setting rents or lease rates
- 4. Property manager responsibility for maintenance, improvements, reporting and risk management (BROKER ONLY)
- 5. Handling landlord and tenant funds; trust accounts, reports and disbursements (BROKER ONLY)
- 6. Provisions of property management contracts (BROKER ONLY)

B. Landlord and tenant rights and obligations

IX. Transfer of Title (Sales 6%) (Broker 6%)

A. Types of deeds

B. Title Insurance and Searches

- 1. Title insurance policies and title searches
- 2. Potential title problems and resolutions
- 3. Marketable and insurable title

C. Closing Process

- 1. When transfer of ownership becomes effective
- 2. Process and importance of recordation
- 3. Settlement procedures (closing) and parties involved
- 4. Home and new construction warranties

D. Special Processes

1. Special issues in transferring foreclosed properties
2. Special issues in short sale transactions
3. Special issues in probate transactions

X. Practice of Real Estate (Sales 12%) (Broker 12%)

A. Antidiscrimination

1. Federal Fair Housing Act general principles and exemptions
2. Protected classes under Federal Fair Housing Act
3. Protections against discrimination based on gender identity and sexual orientation
4. Prohibited conduct under Federal Fair Housing Act (Redlining, Blockbusting, Steering, Disparate Treatment)
5. Fair housing advertising rules
6. Americans with Disabilities Act (ADA) obligations pertaining to accessibility and reasonable accommodations

B. Legislation and Regulations

1. Licensees' status as employees or independent contractors
2. Antitrust laws and types of violations, fines and penalties
3. Do-Not-Call List rule compliance
4. Proper use of Social Media and Internet communication and advertising

C. Duties and Responsibilities

1. Protection of confidential personal information (written, verbal or electronic)
2. Duties when handling funds of others in transactions
3. Licensee responsibility for due diligence in real estate transactions

D. Supervisory Responsibilities (BROKER ONLY)

1. Broker's supervisory responsibilities (licensees, teams and unlicensed assistants and employees) (*BROKER ONLY*)
2. Broker relationship with licensees (employees or independent contractors and governing rules) (*BROKER ONLY*)

XI. Real Estate Calculations (Sales 7%) (Broker 6%)

A. Calculations for Transactions

1. Seller's net proceeds
2. Buyer funds needed at closing
3. Real property tax and other prorations
4. Real property transfer fees
5. PITI (Principal, Interest, Taxes and Insurance) payments estimate given loan rate and term

B. General Concepts

1. Equity
2. Rate of return/Capitalization rate
3. Loan-to-Value ratio
4. Discount points and loan origination fees

- F. Connecticut disclosure of off-site conditions law
- G. Connecticut Uniform Electronic Transactions Act

STATE PORTION CONTENT OUTLINE

- I. **Connecticut Real Estate Commission and Licensing Requirements (Salesperson 5 items; Broker 5 items)**
 - A. Real Estate Commission purpose, powers and duties
 - B. Activities requiring a license
 - C. Exemptions from licensure
 - D. License types and qualifications
 - E. License renewal, continuing education, and transfer
 - F. Real Estate Guaranty Fund
 - G. License suspension and revocation

- II. **Connecticut Laws Governing the Activities of Licensees (Salesperson 10 items; Broker 11 items)**
 - A. Broker/salesperson relationship
 - B. Duties to parties
 - C. Handling of deposits and other monies
 - D. Misrepresentation
 - E. Disclosure of nonmaterial facts
 - F. Advertising
 - G. Commissions and compensation
 - H. Unlicensed personal assistants

- III. **Connecticut Real Estate Agency (Salesperson 8 items; Broker 9 items)**
 - A. Agency: the representing of a client vs. working with a customer
 - B. Agency agreements
 - C. Agency disclosure
 - D. Subagency limitations
 - E. Dual agency
 - F. Designated agency
 - G. Confidential information
 - H. Interference with agency relationship

- IV. **Connecticut-Specific Real Estate Principles and Practices (Salesperson 7 items; Broker 7 items)**
 - A. Connecticut-specific property ownership and transfer issues
 - i. Co-ownership forms and shares
 - ii. Adverse possession/prescriptive easement time
 - iii. Land records and recording
 - iv. Real property taxes and assessments
 - v. Conveyance tax
 - vi. Residential property condition disclosure
 - B. Connecticut Landlord-Tenant Act
 - C. Connecticut Common Interest Ownership Act
 - D. Connecticut fair housing law
 - E. Connecticut lead paint laws

- V. **For Brokers Exam Only (Broker 8 items)**
 - A. Record keeping
 - B. Escrow accounts
 - C. Brokers lien
 - D. Notice of commission rights in commercial transactions
 - E. Cooperation with out-of-state brokers
 - F. Interstate land sales
 - G. Mortgage brokerage fees charged by brokers
 - H. Real properties securities/syndication

EXAMINATION STUDY MATERIALS

GENERAL PORTION FOR SALESPERSON AND BROKER

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 Occupational and Professional Licensing. Use the latest edition available.

- Modern Real Estate Practice, 21st Edition, Galaty, Allaway, Kyle, and Williams, Dearborn Real Estate Education, www.dearborn.com, ISBN: 978-1-0788-1887-2
- Mastering Real Estate Math, 9th Edition, 2022, Denise Evans www.dearborn.com ISBN: 9781078819008
- The Language of Real Estate, 8th Edition, 2019, Reilly and Spodek, Dearborn Real Estate Education, www.dearborn.com
- Property Management, 11th edition, 2016, Kyle, Robert C., Baird, Floyd M. and Kyle, C. Donald, Chicago: Dearborn Real Estate Education www.dearborn.com
- Real Estate Law, 11th Edition, 2022, Elliot Klayman, Dearborn Real Estate Education www.dearborn.com
- Real Estate Fundamentals, 10th Edition, 2019, Gaddy, Hart, Spodek, Dearborn Real Estate Education, www.dearborn.com
- Real Estate Principles, 12th Edition, Charles Jacobus, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855-733-7239, www.oncoursepublishing.com ISBN 1285420985
- Real Estate Principles, 12th Edition, 2021, Floyd and Allen, Dearborn Real Estate Education, www.dearborn.com
- Mastering Real Estate Principles, 8th Edition, 2022, Gerald Cortesi
- Real Estate Principles & Practices, 9th Edition, 2014, Arlyne Geschwender, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855-733-7239, www.oncoursepublishing.com ISBN 0324784554
- Principles of Real Estate Practice, 6th edition, 2019, Mettling, Stephen and Cusic, David, Performance Programs Company, www.performanceprogramscompnay.com

STATE PORTION FOR SALESPERSON AND BROKER

- *Connecticut Real Estate: Practice & Law*, Katherine A. Pancak, Dearborn Real Estate Education, (800) 972-2220, www.dearborn.com
- *State of Connecticut, Real Estate Statutes and Regulations Concerning the Conduct of Real Estate Brokers and Salespersons*, www.ct.gov/dcp.

Many of these reference materials are available for purchase at www.psonlinestore.com or by calling the PSI Online Store, toll-free, at (866) 589-3088.

Titles currently in stock are listed on the order form near the end of this candidate information bulletin.

- D. How much cash MUST a buyer furnish in addition to a \$2,500 deposit if the lending institution grants a 90% loan on an \$80,000 property?
1. \$5,500.
 2. \$6,975.
 3. \$7,450.
 4. None of the above.
- E. Which of the following single-family residences would get the MOST accurate appraisal by applying the reproduction cost approach to value?
1. A rental property.
 2. A vacant property.
 3. A new property.
 4. An historic property.

Answers to Sample Salesperson Questions:

A: 1; B: 2; C: 4; D: 1; E: 4

SAMPLE QUESTIONS

The following questions are offered as examples of the types of questions you will be asked during the course of the National real estate salesperson and broker examinations. They are intended primarily to familiarize you with the style and format of questions you can expect to find in the examinations. The examples do NOT represent the full range of content or difficulty levels found in the actual examinations.

SAMPLE SALESPERSON QUESTIONS

- A. Which of the following interests in property is held by a person who is granted a lifetime use of a property that will be transferred to a third party upon the death of the lifetime user?
1. A life estate.
 2. A remainder estate.
 3. An estate for years.
 4. A reversionary estate.
- B. Which of the following statements BEST identifies the meaning of the term, "rescission of a contract"?
1. A ratification of a contract by all parties.
 2. A return of all parties to their condition before the contract was executed.
 3. A transfer or assignment of a particular responsibility from one of the parties to another.
 4. A review of the contract by the legal counsel of either party that may result in a cancellation without penalty or further obligation.
- C. Which of the following clauses in a mortgage allows the lender to demand loan repayment if a borrower sells the property?
1. Defeasance
 2. Prepayment
 3. Acceleration
 4. Alienation

SAMPLE BROKER QUESTIONS (SCENARIO-BASED)

Scenario:

You are hosting an open house. Mr. and Mrs. Charles Martin come into the house. You greet them and show them the house. The Martins tell you the house is exactly what they are looking for and they are very interested in purchasing it. You then give them information showing the various types of financing available with down payment options and projected payments.

- Mr. Martin tells you they have been working with Mary Hempstead of XX Realty, a competing real estate company. Before leaving, you thank them for coming and give them your business card.
- A. The first thing on Monday morning, Mrs. Martin calls and indicates they have tried to reach Mary and cannot. They indicate they have a written buyer's agent agreement with Mary's broker. They are afraid someone else is going to buy the house. Which of the following should you do? Select the best answer.
1. Seek advice from your supervising broker.
 2. Tell them to come to your office.
 3. Ask them to bring the buyer's agency agreement to you for your interpretation.
 4. Tell them to be patient and continue trying to reach Mary.
 5. Tell them to call Mary's supervising broker or branch manager.
 6. Tell them you are really sorry, but there is nothing you can do.
- B. The Martins come to your office and explain that neither Mary nor her supervising broker are available. They insist you immediately write an offer for the house. How should you proceed? Select the best answer.
1. Write the offer after entering into a buyer's broker agreement with them.
 2. Write the offer after explaining they may owe Mary's broker a commission.

3. Write the offer after trying to contact Mary's broker yourself.
4. Refuse to write an offer and explain that doing so would be unethical.
5. Refuse to write and offer since it would be illegal.
6. Refuse to write the offer and tell the Martins to contact another Salesperson in Mary's office.

Answers (Points) to Sample Broker Questions:

- A. 1 (2 points), 2 (1 point), 3 (0 point),
4 (0 point), 5 (1 point) , 6 (0 point);
- B. 1 (1 point), 2 (2 points), 3 (1 point),
4 (0 point), 5 (0 point) , 6 (0 point);

LICENSE APPLICATION INSTRUCTIONS

Submit the licensing fee indicated on the passing score report for your examination with all passing score reports to the Connecticut Department of Consumer Protection.

LICENSE SERVICES DIVISION
Connecticut Department of Consumer Protection
450 Columbus Boulevard, Suite 801
Hartford, CT 06103
Phone: 860-713-6000
E-Mail: Dcp.licenseservices@ct.gov
Agency Web site: www.ct.gov/dcp

PSI Services LLC
3210 E Tropicana
Las Vegas, NV 89121