



PSI licensure:certification
 3210 E Tropicana Ave
 Las Vegas, NV 89121
 www.psiexams.com



STATE OF NEVADA REAL ESTATE SALESPERSON AND BROKER

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

This Candidate Information Bulletin provides you with information about the examination and application process for becoming licensed as a real estate salesperson or broker in the State of Nevada.

Nevada state laws stipulate that a person may not act as a real estate broker, broker-salesman, or salesman without first obtaining a license issued by the Nevada Real Estate Division. 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 Nevada Real Estate Division has contracted with PSI licensure:certification (PSI) to conduct its examination program. PSI provides examinations through a network of computer examination centers in Nevada. 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.

The following are the Nevada real estate licensing examinations offered by PSI licensure:certification:

- Real Estate Salesperson
- Real Estate Broker

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

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

All question about applications for licensure should be directed to the:

Nevada Real Estate Division
Department of Business and Industry
788 Fairview Avenue, Suite 200
Carson City, Nevada 89701-5453
(775) 687-4280 x301

OR

Nevada Real Estate Division
Department of Business and Industry
2501 East Sahara Avenue, Suite 102
Las Vegas, Nevada 89104-4137
(702) 486-4033 x240
www.red.state.nv.us

GUIDELINES FOR LICENSE APPLICATION/QUALIFICATION

To make the license qualification process go as smoothly as possible, be certain that you:

1. Send the Registration Form found at the end of this Candidate Information Bulletin along with the correct payment for the examination(s).
2. Prepare for the examination by using the examination content outline in this Candidate Information Bulletin and the suggested study materials that cover the outline topics.
3. Be sure to take proper identification with you to your scheduled examination appointment.
4. Upon passing the examination, you may then submit the required license application documentation to the Nevada Real Estate Division.

EXAMINATION REGISTRATION PAYMENT AND SCHEDULING PROCEDURES

The Examination Registration Form is found at the end of this Candidate Information Bulletin. You must pay 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. You must first register to be eligible for an examination and upon approval by PSI then schedule an appointment to take the examination.

EXAMINATION FEE

Examination Both Portions	\$100
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The fee is \$100 for the 2 examination portions, regardless if you take 1 or both examination portions. Examination retakes are \$100 for 1 or both examination portions.

NOTE: REGISTRATION FEES ARE NOT REFUNDABLE. REGISTRATION FEES EXPIRE AFTER ONE YEAR OF REGISTERING.

STANDARD MAIL REGISTRATION

1. Complete the Examination Registration Form found in this Candidate Information Bulletin. **BE SURE TO READ ALL DIRECTIONS CAREFULLY BEFORE COMPLETING THE EXAMINATION REGISTRATION FORM. IMPROPERLY COMPLETED FORMS WILL BE RETURNED TO YOU UNPROCESSED.**

Return the completed original form to PSI with the appropriate examination fee. Payment of fees can be made by VISA, Mastercard, money order or cashier's check. Money orders or cashier's checks should be made payable to PSI. Print your social security number on your check or money order to ensure that your fees are properly assigned. **CASH, COMPANY CHECKS, PERSONAL CHECKS ARE NOT ACCEPTED.**



2. Please allow 2 weeks to process your Registration before scheduling for your examination.

TELEPHONE REGISTRATION

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.

1. Call (800) 733-9267, 24 hours a day and register using the Automated Registration System. Otherwise, PSI registrars are available Monday through Friday, between 4:30 am and 5:00 pm and Saturday, between 8:00 am and 2:00 pm, Pacific 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.

1. Fax the completed form to PSI (702) 932-2666. Fax registrations are accepted 24 hours a day.
2. Please allow 4 business days to process your registration. After 4 business days, you may call PSI to schedule the examination(s), (800) 733-9267.

INTERNET REGISTRATION

The Examination Registration Form is available at PSI's website, www.psiexams.com. You may register and schedule for an examination via the Internet 24 hours a day.

1. Complete the registration form on line and send it to PSI via the Internet.
2. Upon completion of the online registration form, you will be given the available dates for scheduling your examination.

SCHEDULING AN APPOINTMENT TO TAKE THE EXAMINATION

You are responsible for calling PSI to schedule an appointment to take the examination. PSI will make every effort to schedule the examination site location and time that is most convenient for you. To schedule your examination using a touch-tone phone, call PSI 24 hours a day at (800) 733-9267. To schedule with a PSI registrar, call Monday through Friday, between 4:30 am and 5:00 pm and Saturday, between 8:00 am and 2:00 pm, Pacific Time. If space is available in the examination site of your choice, you may schedule an examination 1 day prior to the examination date of your choice, up to 4:00pm PT. Please be prepared to offer alternate examination appointment choices.

RESCHEDULING FOR AN 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 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 by the close of business on the previous Wednesday. You may call PSI at (800) 733-9267 or fax a note to (702) 932-2666. 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, 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 PSI's 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. If you elect not to disclose your social security number to PSI, please enclose a separate letter explaining this with your Examination Registration Form. However, you must provide it to the state.

WALK-IN EXAMINATIONS

Walk-in registration is available only to those candidates who have previously been registered and taken the same examination with PSI.

You must present a failing score report to be eligible for a walk-in examination. You are strongly encouraged to schedule an examination. However, you may take the examination as a walk-in candidate. Walk-in examinations are available on a space-available, "first-come", "first-served" basis. Walk-in candidates will only be admitted after all scheduled candidates have been admitted. Because of seating limitations at examination centers, admission cannot be guaranteed to walk-in candidates. There is an additional fee of \$15 for walk-in candidates. This fee may be paid with VISA or Mastercard at the examination center.

Note: Walk-in registrations will not be available at the Elko site.

EXAMINATION SITE LOCATIONS

LAS VEGAS

3210 E Tropicana Avenue
Las Vegas, Nevada 89121

From I-15 - Exit East on Tropicana, travel approximately 4 miles, turn left on Mojave, turn right into the parking lot.

From I-95 - Exit West on Tropicana, travel approximately 1 mile, turn right on Mojave, turn right into the parking lot.

From I-215 - Exit at McCarran Airport, go through the airport tunnel. Take the Airport Bypass towards Swenson St. Turn right on Tropicana, travel East approximately 2 miles, turn left on Mojave, turn right into the parking lot.

RENO

Airport Plaza Office Building
1755 E Plumb Lane Ste 108
Reno, Nevada 89502

Take I-80 towards Reno. Take the US-395 exit south towards Carson City, exit #15. Continue on US-395 to Plumb Lane offramp. Turn left on to Plumb Lane. The center will be on the left hand side, on the corner of Terminal and Plumb Lane.

ELKO

225 Silver Street Ste 102
Elko, Nevada 89801

From I-80, take the Mountain City exit towards downtown Elko, exit #303. Turn right on Mountain City and continue on Mountain City Highway. Continue on Silver Street until you reach the destination.

REPORTING TO THE EXAMINATION SITE

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

You must provide 2 forms of identification. One must be a VALID form of government issued identification (driver's license, state ID, passport, military ID), 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 Examination Registration Form.

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.*

SECURITY PROCEDURES

The examinations will be CLOSED book. You will NOT be allowed to bring any reference materials to the examination.

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.
- Cell phones, guests, pagers, and children are not allowed in the examination center. **NO personal items are to enter the testing center.** PSI will not be responsible for any personal items and suggests that you leave them locked in the trunk of your car.
- 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.

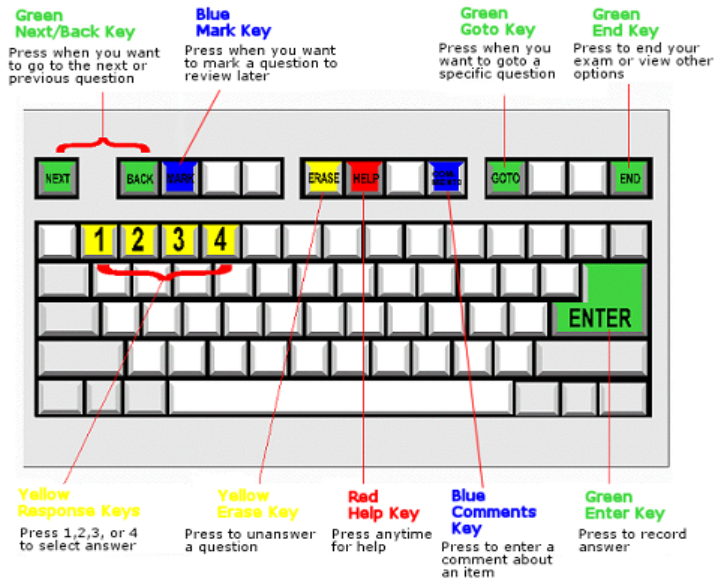


REVIEW OF EXAMINATION QUESTIONS

PSI, in cooperation with the Nevada Real Estate Division, will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. Comments may be entered on the computer keyboard during the examination. Your comments regarding the questions and the examinations are welcomed. Comments will be analyzed by PSI examination development staff. While PSI does not respond to individuals regarding these comments, all substantive comments are reviewed. If an error affecting examination scores is discovered as a result, which occurs very rarely, the examination scores of all affected candidates will be automatically adjusted. **This is the only review of examination materials available to candidates.**

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.



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 as part of 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.

SCORE REPORTING

In order to pass the examinations, you must achieve a minimum score of 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 are using review features, you will be able to obtain your score immediately when you indicate that you have finished and would like to see your results.
 - If you **pass**, you will immediately receive a successful notification and performance summary on the screen.
 - If you **do not pass**, you will immediately receive an unsuccessful notification on the screen along with a diagnostic report indicating your strengths and weaknesses by examination portion. Registration forms for submittal to PSI to retake the examination will be available at the examination site.
- **On paper** - an official 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.

- 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. Underline or highlight key ideas that will help with a later review.
- 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.

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 Nevada Real Estate Division. Use the latest edition available.

NATIONAL PORTION FOR SALESPERSON AND BROKER

- *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

STATE PORTION FOR SALESPERSON AND BROKER

- Nevada Revised Statutes, Chapters 113, 116, 119, 119A, 645 and Nevada Administrative Codes, Chapters 113, 116, 119, 119A, 645

Many of these reference materials are available for purchase at www.psiexamstore.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.

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 Nevada Salesperson 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

Nevada allows any candidate who passes either the national or state portion of the examination to retake only the portion of the test they failed. However, in order to meet Nevada licensure requirements, you must pass both portions (state and national) within a 1 year period immediately preceding your application for your real estate license. A candidate who has not attempted the failed examination portion within the required time limit must reregister for, and pass, the entire examination. Failing candidates will not be required to repeat any educational requirements to retake the examination.

EXAMINATION SUMMARY TABLE

Examination	Portion	# of Items	Time Allowed
Salesperson	National	80	120 minutes
	State	40	60 minutes
	Both	120	180 minutes
Broker	National	80	120 minutes
	State	40	60 minutes
	Both	120	180 minutes

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.

NATIONAL PORTION CONTENT OUTLINE

(REAL ESTATE PRINCIPLES AND PRACTICES) CONTENT OUTLINE

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 and 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

STATE-SPECIFIC PORTION

Nevada's main Real Estate Laws and Real Estate Division Rules are found in the Nevada Revised Statutes (NRS) Chapter 645 and Nevada Administrative Codes (NAC) Chapter 645 which deal exclusively with real estate. Knowledge of Nevada legislation and rules governing fair housing, subdivisions and time shares is also required. These issues are addressed in NRS and NAC 113, 116, 119, and 119A.

STATE CONTENT OUTLINE

Commission Duties and Powers (Salesperson-2 Items, Broker-2 Items)

- a. Determining Misconduct, Investigations, Hearings, and Appeals
- b. Sanctions, License Suspension, Revocation, and Grounds for Discipline
- c. Real Estate Education, Research, and Recovery Fund
- d. Inspection of Records (*Broker Only*)

Licensing (Salesperson-3 Items, Broker-4 Items)

- a. Types of Licensing and Activities Requiring a License
- b. Cooperative Certificates (*Broker Only*)
- c. Property Management Permits
- d. License Renewal, Changes in License, Terminations, and Reasons for Denial
- e. Licensing Process and Requirements

- f. Branch Offices and License Display (*Broker Only*)
- g. Other situations affecting license, including: Felony Conviction, Failure to Pay Child Support, and Non-Compliance

Property Disclosures (Salesperson-8 Items, Broker-7 Items)

- a. Seller's Real Property Disclosure
- b. Disclosure of Common-Interest Communities
- c. Disclosure of Material Facts

Record Keeping (Salesperson-2 Items, Broker-6 Items)

- a. Maintenance of Records
- b. Time to Keep Transaction Records
- c. When Salesperson Must Submit Records to Broker
- d. Trust Account Records and Management (*Broker Only*)

Contracts (Salesperson-10 Items, Broker-5 Items)

- a. Preparation and Handling of Documents, including: Offers, Contracts, and Project Documents
- b. Closing Statements
- c. Handling of Earnest Money Deposits

Advertising (Salesperson-4 Items, Broker-5 Items)

Agency/Brokerage (Salesperson-10 Items, Broker-10 Items)

- a. Broker/Salesperson Relationship; Broker Supervision of Licensees
- b. Commissions
- c. Agency Disclosures, including: Nevada Duties Owed and Interest in Property
- d. Brokerage Agreements and Advance Fees
- e. Duties to Client, including: Area of Expertise, Responsibility to Represent Client, and Duty to Account for all Monies

Special Topics (Salesperson-1 Items, Broker-1 Items)

- a. Subdivisions
- b. Time Shares
- c. Environmental Issues
- d. Leased Land
- e. Water Rights

SAMPLE QUESTIONS

The following questions are offered as examples of the types of questions you will be asked during the course of the Nevada 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
- 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 BROKER QUESTIONS

- A. A real estate licensee acting solely as a seller's agent is MOST likely to be held liable for claims of misrepresentation by a buyer if the licensee committed which of the following acts in the course of the transaction?
1. Failed to provide previous purchase prices for the property.
 2. Obeyed the seller's instructions to leave all discussions of property condition to the seller.
 3. Continued to accept and present offers on the property after the seller accepted the buyer's offer.
 4. Deposited the earnest money check in a personal account to clear before transferring it to the trust account.
- B. A lender wanting title insurance coverage on property pledged as collateral would ask for which of the following policies?
1. A mortgagee's policy.
 2. An owner's policy.
 3. An errors and omissions policy.
 4. An extended homeowner's policy.
- C. A business property is valued at \$20,000. To earn 12% on the total investment, the property should return a monthly income of
1. \$200.
 2. \$500.
 3. \$1,200.
 4. None of the above.
- D. A lender is making a loan on a property and wants to make sure that a borrower will be legally obligated to pay off the entire unpaid loan balance if the borrower defaults on the payments. Which of the following clauses should be included in the contract?
1. Defeasance.
 2. Prepayment.
 3. Acceleration.
 4. Due-on-sale.
- E. A financial arrangement by which a buyer purchases property using borrowed funds but does not actually receive title to the property until after the loan has been fully repaid is BEST referred to as a
1. Leveraged sale.
 2. Sale and leaseback.
 3. Purchase money mortgage.
 4. Land contract.

Answers to Sample Broker Questions:

A: 2; B: 1; C: 1; D: 3; E: 4

REAL ESTATE LICENSE APPLICATION INSTRUCTIONS

After you have passed the Nevada Real Estate Examination, you must follow the guidelines described below to be licensed to sell real estate in the state of Nevada.

All Applicants: (originals only)

1. Application must be notarized and completed by applicant (form #549).
2. Two fingerprint cards processed by a government or law enforcement agency, within the last year.
3. Original examination results:
 - a. Pass Nevada State examination within last 12 months.
 - b. Pass national examination (from any state within last 12 months).

Salesperson: (copies accepted)

1. Proof of pre-licensing education by transcripts, certificates, or licensing history.
 - a. 45 hours or 3 college credits Real Estate Principles.
 - b. 45 hours or 3 college credits Real Estate Law (must include 18 hours Nevada law).

Broker/Salesperson: (copies of transcripts or certificates are acceptable; licensing histories must be an original document)

1. Proof of pre-licensing education by transcripts, certificates, or licensing history (64 college credits).
 - a. 45 hours or 3 college credits Real Estate Principles.

FEES:

All applicants are required to pay the \$40 Education Research and Recovery Fund fee with each original application.

SALESPERSON FEES:

\$125.00 application and ERRF (personal, company, or cashier's check, money order, or exact cash, made payable to Nevada Real Estate Division)

\$51.25 investigative history (cashier's check or money order, ONLY, made payable to Nevada Highway Patrol)

\$125.00 Real Estate Division

\$ 51.25 Highway Patrol

Note: please submit two separate payments and attach to the application for the license.

BROKER/SALES FEES:

\$145.00 application and ERRF (personal, company, or cashier's check, money order, or exact cash, made payable to Nevada Real Estate Division)

\$51.25 investigative history (cashier's check or money order, ONLY, made payable to Nevada Highway Patrol)

\$145.00 Real Estate Division

\$ 51.25 Highway Patrol

Note: please submit two separate payments and attach to the application for the license.

All passing candidates will receive the Licensing Application form and 2 finger print cards at the PSI examination center.

OR

- b. 45 hours or 3 college credits Real Estate Law (must include 18 hours Nevada law).
 - c. 45 hours or 3 college credits Real Estate Appraisal course.
 - d. 45 hours or 3 college credits Broker Management course.
 - e. 15 college credits in real estate related courses such as business or economics.
 - f. 37 college level units.
2. Experience may be used in place of education certificates (8 years = 64 college credits).
 - a. For every 2 years of real estate licensed experience, Nevada will allow 16 college credits towards all education with the exception of 45 hours broker Management and 18 hours Nevada real estate law.
 - b. Must show proof of full time experience. Real estate license must be current. Attach experience verification form #509 as well as a certified licensing history from any state. Information must be less than 90 days old.

Broker:

1. See 1 and 2 of Brokers/Salesperson.
2. Must furnish proof of 2 years of active fulltime experience within the last 4 years.
3. Submit location of records (form #512).
4. Complete confidential financial statement (form #558).
5. Furnish proof of current 90-day average balance from current banking institution.
6. Copy of filing from Secretary of State or County Clerks Office.

PSI provides electronic fingerprint service at its examination centers and forwards the fingerprint electronically to the appropriate review agencies. If PSI is providing this service to you, please pay, via VISA or Mastercard, \$60.25. This payment includes the State processing fee (Nevada Highway Patrol) of \$40.25, and the PSI processing fee of \$20.00

Complete and return all required forms to either of the Nevada Real Estate Division offices listed below. Also all questions about applications for licensure should be directed here.

Nevada Real Estate Division
Department of Business and Industry
788 Fairview Avenue, Suite 200
Carson City, Nevada 89701-5453
(775) 687-4280 x301

OR

Nevada Real Estate Division
Department of Business and Industry
2501 East Sahara Avenue, Suite 102
Las Vegas, Nevada 89104-4137
(702) 486-4033 x240
www.red.state.nv.us



11. *I am faxing the Special Arrangement Request (at the end of this bulletin) and required documentation.* Yes No

Check this box if you do not want PSI to share your information with third parties. Please note that PSI will NOT release social security numbers to 3rd parties.

12. **Affidavit:** *I certify that the information provided on this registration form (and/or telephonically to PSI) is correct. I understand that any falsification of information may result in denial of licensure. I have read and understand the Candidate Information Bulletin.*

Signature: _____

Date: _____

IF YOU ARE REGISTERING BY MAIL OR FAX, SIGN AND DATE THIS REGISTRATION FORM ON THE LINES PROVIDED.

Complete and forward this registration form with the applicable examination fee to:
PSI licensure:certification * ATTN: Examination Registration NV RE
3210 E Tropicana Ave * Las Vegas, NV* 89121
Fax (702) 932-2666 * (800) 733-9267 * TTY (800) 735-2929 * www.psiexams.com

NEVADA SCHOOL CODE LIST

0202	ABC Real Estate School
0225	Academy for Real Estate Professionals
0203	American Career Institute
0236	American School of Real Estate Express
0237	Americana Real Estate Academy
0221	Avalon School of Real Estate
0205	College of Southern NV
0223	Kaplan Professional Schools Nevada
0208	Key Realty School
0226	National Real Estate Institute
0210	Northern Nevada Real Estate School
0234	Online Ed. Com
0211	Pioneer School of Real Estate
0229	Proschools, Inc.
0213	Real Estate School of Nevada
0219	Western Nevada Community College (Carson City)
0220	Western Nevada Community College (Fallon)



BOOKS AND MORE ARE NOW AVAILABLE AT THE PSI ONLINE STORE!

To place an order for one or more of the following items listed, you may:

- Order online at www.pSIONlinestore.com
- Call the PSI Online store toll-free at (866) 589-3088

Note: prices are available online at www.pSIONlinestore.com

<input type="checkbox"/>	Modern Real Estate Practice
<input type="checkbox"/>	Real Estate Fundamentals
<input type="checkbox"/>	The Language of Real Estate
<input type="checkbox"/>	Real Estate Principles
<input type="checkbox"/>	Real Estate Principles & Practices

Please note: Inventory and pricing subject to change without notice.

- You may also place a checkmark next to the items that you would like to order, and mail or fax this form to PSI (be sure to include your contact information). A Customer Service Rep will call you to place the order.

Mail or FAX to:

PSI licensure:certification ** 3210 E Tropicana * Las Vegas * NV * 89121 (Attn Shipping)
Fax (702) 932-2668

Name_____

Address_____

City_____ State_____ Zip_____

Phone Number_____





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):

- | | |
|--|---|
| <input type="checkbox"/> Reader (as accommodation for visual impairment or learning disability) | <input type="checkbox"/> Extended Time (Additional time requested: _____) |
| <input type="checkbox"/> Large-Print written examination | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> 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

FIRST CLASS MAIL

