STATE OF NEW MEXICO
NEW MEXICO REAL ESTATE COMMISSION
CANDIDATE INFORMATION BULLETIN

Examinations by PSI licensure:certification .............. 1
Guidelines for Eligibility/Examination Registration .... 1
Prerequisites for Taking the Examinations ............... 1
Examination Scheduling Procedures ..................... 2
  Internet Scheduling .................................... 2
  Telephone Scheduling .................................. 2
  Canceling an Examination .............................. 2
  Missed Appointment or Late Cancellation .............. 3
  Exam Accommodations ................................ 3
  Emergency Examination Center Closing ................ 3
Examination Site Location ................................ 3
Reporting to the Examination Site ......................... 4
  Required Identification ................................ 4
  Security Procedures .................................... 4
Taking the Examination by Computer ..................... 4
  Identification Screen .................................. 4
  Tutorial .................................................. 4
  Test Question Screen .................................. 5
  Examination Review .................................... 5
  Score Reporting ........................................ 5
  Duplicate Score Reports ............................... 5
  Tips for Preparing for Your License Examination .... 5
  Examination Study Materials .......................... 5
  Description of Examinations ............................ 6
  Experimental Questions ............................... 6
  Content Outline ....................................... 6
  Sample Questions ...................................... 9
Applying for a License .................................... 10
Eligibility/Examination Registration Form ................ 11
Associate Broker License Application Form .............. 13
Qualifying Broker License Application Form ............. 21
Exam Accommodations Request .......................... End of Bulletin

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

Copyright © 2019 by PSI licensure:certification
Last Revised 7/2/2020
EXAMINATIONS BY PSI

This Candidate Information Bulletin provides you with information about the examination and application process for a real estate licensee in the State of New Mexico.

New Mexico state laws stipulate that a person may not act as a real estate broker without first obtaining a license issued by the New Mexico Real Estate Commission. 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 New Mexico Real Estate Commission has contracted with PSI (licensure: certification) to conduct examination approval process and examination testing. PSI provides examinations through a network of computer examination centers in New Mexico. 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.

GUIDELINES FOR ELIGIBILITY/EXAMINATION REGISTRATION

Candidates must apply for eligibility with PSI by submitting the completed Eligibility/Examination Registration Form (found at the end of this Candidate Information Bulletin), examination fee and all required documentation. PSI will determine your eligibility for taking the examination.

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

Upon approval by PSI, you will be sent an Eligibility Postcard, including instructions for scheduling the examination. If your registration is incomplete, PSI will contact you to advise you of any additional information or documents required. Allow 2 weeks for processing before scheduling the examination date.

You may submit the Eligibility/Examination Registration Form, examination fee, and all required documentation to PSI as follows:

EXAMINATION FEE $ 95

The fee is $95 for the 2 examination portions, regardless if you take 1 or both examination portions. Examination retakes are $95 for 1 or both examination portions. NOTE: EXAMINATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. THE EXAMINATION FEE IS VALID FOR ONE YEAR FROM THE DATE OF PAYMENT.

STANDARD MAIL REGISTRATION

Complete the Eligibility/Examination Registration Form found at the end of this Candidate Information Bulletin. Return the completed original form(s) to PSI with the appropriate examination fee. Payment of fees may be made by credit card (Visa, MasterCard, American Express or Discover), money order, company check or cashier’s check. Money orders or checks must be made payable to PSI. CASH AND PERSONAL CHECKS ARE NOT ACCEPTED.

Upon approval by PSI, you will be sent an Eligibility Postcard, including instructions for scheduling the examination. If your registration is incomplete, PSI will contact you to advise you of any additional information or documents required. Allow 2 business days for processing before scheduling the examination date.

FAX REGISTRATION

Complete the Eligibility/Examination Registration Form, including your credit card number and expiration date. Fax the completed form(s) to PSI (702) 932-2666. Fax registrations are accepted 24 hours a day.

Upon approval by PSI, you will be sent an Eligibility Postcard, including instructions for scheduling the examination. If your registration is incomplete, PSI will contact you to advise you of any additional information or documents required. Allow 2 business days for processing before scheduling the examination date.

EMAIL REGISTRATION

Complete the Eligibility/Examination Registration Form, including your credit card number and expiration date. Email the completed form to PSI at nmrreapp@psionline.com. Email registrations are accepted 24 hours a day.

Please allow 4 business days to process your Registration. After 4 business days, you may go online or call PSI to schedule the examination. Allow 4 business days for processing before scheduling the examination date.

PREREQUISITES FOR TAKING EXAMINATIONS

To be eligible for licensure, candidates must meet qualifications established by New Mexico law and pass the designated examinations. Along with the examination application form, all examination candidates, with the exception of candidates applying under the License Recognition program or candidates who have received pre-licensing education waivers, must submit documentation of having completed 30-hour pre-licensing courses in Real Estate Principles and Practice, Real Estate Law, and Broker Basics not longer than three years prior to making application to take the broker’s examination. School Certifications from each school must be submitted with the Eligibility/Examination Registration Form verifying the candidate has completed all required courses. If the candidate is in the process of completing a required course, the course must be completed before taking the examination.

<table>
<thead>
<tr>
<th>Mandatory Pre-Licensing Courses</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Principles and Practice*</td>
<td>30</td>
</tr>
<tr>
<td>Real Estate Law*</td>
<td>30</td>
</tr>
<tr>
<td>Broker Basics</td>
<td>30</td>
</tr>
</tbody>
</table>

*Pre-licensing courses available by correspondence.
The New Mexico Real Estate Commission, Regulation and Licensing Department has established the following licensing requirements.

**Associate Broker examination requirements:**
A. there is no age limit to take the examination, however you must be at least 18 years of age to get a license;
B. be a legal resident of the United States;
C. if currently or previously licensed in another state, submit a certified license certificate or certified license history;
D. candidates for the real estate broker’s examination must document completion of 90 credit hours of commission approved real estate pre-licensing courses consisting of one 30 credit-hour course each in Real Estate Principles and Practice, Real Estate Law, and Broker Basics prior to taking the examination. A written course waiver from the Commission Education Director can also serve to make this requirement.

**Qualifying Broker license requirements:**
A. be at least 18 years of age;
B. be a legal resident of the United States;
C. if currently or previously licensed in another state, submit a certified license history;
D. have met one of the following requirements:
   1. shall have been actively engaged in real estate business as an associate broker for at least two of the last five years immediately prior to making application for a New Mexico qualifying broker’s license, shall document completion of 120 hours of commission approved pre-licensing courses, including one 30 credit-hour course each in Real Estate Principles and Practice, Real Estate Law, Broker Basics, and a Brokerage Office Administration course, and shall have passed the Broker’s examination.
   2. individuals with current licenses who can document that they were New Mexico qualifying brokers on or before December 31, 2005 are not subject to the requirements in paragraph D (1) above and may regain qualifying broker status by filing a Trade Name Registration Form (found at the “Forms” link of the New Mexico Real Estate Commission web site) and paying the $20 trade name registration fee to the Commission;
   3. individuals who automatically became associate brokers on January 1, 2006 pursuant to 16.61.31.8(D) shall have been actively engaged in the real estate business as an associate broker for at least two of the last five years immediately prior to making application for a New Mexico qualifying broker’s license, shall document completion of a 30-hour Brokerage Office Administration course designated by the commission, and shall pass a real estate broker’s examination approved by the commission.

Note: Candidates applying for initial licensure with the Commission must have completed the required pre-licensing education within three years of making application to take the real estate broker’s examination and must furnish copies of certificates of course completion with their examination applications. Candidates who are currently licensed by the Commission as associate brokers and who are taking the brokers’ examination to upgrade to qualifying broker status are exempt from the three-year time limit and must provide only a certificate of completion of the 30-hour Broker Basics course and a copy of their current associate broker’s license.

---

**EXAMINATION SCHEDULING PROCEDURES**

Upon approval by PSI, you will be sent an Eligibility Postcard, including instructions for scheduling the examination. If your registration is incomplete, PSI will contact you to advise you of any additional information or documents required.

- You must pass both the national and state-specific examinations within 90 days of passing the first examination. If you do not pass both examinations within 90 days, you must retake both examinations.

**INTERNET SCHEDULING**

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 credit card (Visa, MasterCard, American Express or Discover). 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:

1. Log onto PSI’s website and create an account. Please enter your email address and first and last name. This information must match exactly with the information provided to PSI. Be sure to check the box next to “Check here to attempt to locate existing records for you in the system”.
2. You will be asked to select the examination and enter your SS#. Your record will be found, and you will now be 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. If you have problems contact PSI at (800) 733-9267 for help.

**TELEPHONE SCHEDULING**

The second fastest method of scheduling is through live registrars during business hours. For telephone registration, you will need a valid credit card (Visa, MasterCard, American Express or Discover).

1. 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.
2. Call (800) 733-9267 and speak with a PSI registrar Monday through Friday between 5:30 am and 8:00 pm, and Saturday-Sunday between 7:00 am and 3:30 pm, Mountain 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 prior to 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 or at www.psiexams.com.

Note: A voice mail message is not an acceptable form of cancellation. Please use the PSI Website or call PSI and speak to a Customer Service Representative.
EXAM ACCOMMODATIONS

All 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. 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 it 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 or check the website at www.psiexams.com. Every effort will be made to reschedule your examination at a convenient time as soon as possible.

EXAMINATION SITE LOCATION

The New Mexico examinations are administered at the PSI examination centers in New Mexico as listed below:

Albuquerque
2820 Broadbent Pkwy NE, Suites E & F
Albuquerque, NM 87107
From I-40 W take exit 159D, follow Frontage Rd. N to Menaul Blvd NE, make a left onto Menaul Blvd NE, make a right onto Broadbent Pkwy NE. Building will be on the right.

Farmington
1307 E. 20th St.
Farmington, NM 87401
From E. Main St, turn RIGHT on Sullivan and turn LEFT on 20th St. We are next door to the County Republican Party office and across the street from Planned Parenthood. No Sign on the building. The sign is on the door. The office is between Zuni and Santiago streets on the south side of 20th St. If you pass Dave’s Sports Shop or Fatboy’s Restaurant, you’ve gone too far.

Las Cruces
1001 N. Solano, Suite # D
Las Cruces, NM 88001
Take Highway 70 West to Solano. Turn South on Solano and go one block past Spruce to Pinon. The test center is on the Northwest corner of Solano and Pinon.

Roswell
105. Fifth St.
Roswell, NM 88201

Santa Fe
4001 Office Court Drive, Suite 301
Santa Fe, NM 87507
From Albuquerque International Sunport Airport: Head East on Sunport Blvd SE. Merge onto I-25 N via the ramp to I-40/ Downtown and Santa Fe. Take exit 278 and merge onto Cerrillos Road/ NM-14 N. Approximately 2.5 miles north on Cerrillos Road, turn right on Wagon Road. Turn right on Office Court Drive into the office park.

Texas Examination Sites
The following are a few of the sites that offer the New Mexico examinations. Please check with PSI regarding other testing locations by calling (800) 733-9267.

Amarillo
4312 Teckla, Suite 500
Amarillo, TX 79109
Exit off I-40 to Western and go South one street passed the 7th traffic light to Ridgecrest and turn right. Stay on Ridgecrest until you come to the red brick office complex on the left side corner of Ridgecrest and Teckla. 4312 is the 3rd building facing Teckla. Ste 500 is the end suite on the North side of the building. Or, from Canyon, take Bell St exit and go North to traffic light at 45th St and turn right. Turn left at the 2nd traffic light to Teckla.

El Paso
The Atrium
1155 Westmoreland, Suite 110
El Paso, TX 79925
From I-10 W, take the Airways exit North. Turn right at the first light (Viscount). Turn right on Westmoreland Dr.

Lubbock
The Center
4413 82nd St., Suite 210
Lubbock, TX 79424
From S Loop 289, take the Quaker Ave exit and go South. Turn right on 82nd St.

Midland
Westwood Village Shopping Center
4200 West Illinois Avenue, Suite 200
Midland, TX 79703
From I-20, take Midkiff Road exit. Go North on Midkiff Road. Take a left on Illinois Ave. Go .8 miles and turn right into Chinese Kitchen’s parking lot at 4200 W Illinois. Suite is at the end of the left Strip. From Business 20 (Old Hwy 80) going West, follow Front Street until Wall St Traffic light. Go 2 blocks and turn right on Midkiff. Turn left...
on Illinois. Go .8 miles and turn right into Chinese Kitchen’s parking lot at 4200 W Illinois. Suite is at the end of the left Strip.
From North Hwy 349, Look for Loop 250 West (just before overpass). Turn right at Loop and go 2 miles to Exit Midkiff. Turn left at traffic light. Turn right at Illinois traffic signal. Turn right onto Chinese Kitchen’s parking Lot at 4200 W Illinois. Suite is at the end of the left Strip.

Additionally, PSI has examination centers in many other regions across the United States. You may take this examination at any of these locations by submitting 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 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 or a complete physical description. The second ID must have your signature and preprinted legal name. All identification provided must match the name on the Eligibility Letter.

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 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, with the exception of close-fitting jackets or sweatshirts, 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, including coats, shawls, hooded clothing, heavy jackets, or overcoats.
  - **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.
• 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

The “function bar” at the top of the test question provides mouse-click access to the features available while taking the examination.

<table>
<thead>
<tr>
<th>Question 3 of 49</th>
<th>Answered 2</th>
<th>Unanswered 49</th>
<th>Marked 0</th>
<th>View All</th>
<th>Time Left(Min): 369</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. What do the stars on the United States of America’s flag represent?</td>
<td>![Function Bar]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 New Mexico Real Estate Commission, 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. Comments may be entered by clicking on 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 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.
• On paper - a score report will be printed at the examination site.
DUPLICATE SCORE REPORTS
You may request a duplicate score report after your examination by emailing scorereport@psionline.com or by calling 800-733-9267.

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. 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.

Now you can take the practice exam online at www.psiexams.com to prepare for your New Mexico 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; you will need to pay each time.

EXAMINATION STUDY MATERIALS

The following is a list of possible study materials for the real estate examination. The list is given to identify resources and does not constitute an endorsement by PSI or by the New Mexico Real Estate Commission. Use the latest edition available.

NATIONAL PORTION OF THE EXAMINATION


STATE PORTION OF THE EXAMINATION


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

DESCRIPTION OF EXAMINATIONS

You are required to pass both the state and national portions of the examination. If you fail one portion of the examination, you will only need to register to retake the failed portion. You must pass both the national and state-specific examinations within 90 days of passing the first examination. If you do not pass both examinations within 90 days, you must retake both examinations.

EXAMINATION SUMMARY TABLE

<table>
<thead>
<tr>
<th>Examination</th>
<th># of Questions</th>
<th>Passing Score</th>
<th>Time Allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broker National</td>
<td>75 (80 points)</td>
<td>60 correct</td>
<td>120 Minutes</td>
</tr>
<tr>
<td>Broker State</td>
<td>50</td>
<td>38 correct</td>
<td>60 Minutes</td>
</tr>
</tbody>
</table>
**EXPERIMENTAL QUESTIONS**

A small number of “experimental” questions (i.e., 5 to 10) 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 testing time. The administration of such unscored, experimental questions is an essential step in developing future licensing exams.

**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 of 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**

I. Property ownership (Broker 10%)
   A. Real versus personal property; conveyances
   B. Land characteristics and legal descriptions
      1. Types of legal descriptions; Metes and bounds, Lot and block, government survey
      2. Measuring structures
      3. Livable, rentable, and usable area
      4. Land Measurement
      5. Mineral, air, and water rights
   C. Encumbrances and effects on property ownership
      1. Liens
      2. Easements and licenses
      3. Encroachments
      4. Other potential encumbrances of title
   D. Types of ownership
      1. Tenants in common
      2. Joint tenancy
      3. Common- interest ownership
         Timeshares
      4. Condominiums
         Co-ops
      5. Ownership in severalty/sole ownership
         Life Estate ownership
      6. Property ownership held in trust

II. Land use controls and regulations (Broker 5%)
   A. Government rights in land
      1. Property taxes and special assessments
      2. Eminent domain, condemnation, escheat
   B. Government controls
      1. Zoning and master plans
      2. Building codes
   C. Private controls
      1. Deed conditions or restrictions
      2. Covenants, conditions, and restrictions (CC&Rs)
      3. Homeowners association regulations

III. Valuation and market analysis (Broker 7%)
   A. Appraisals
      1. Purpose and use of appraisals for valuation
      2. General steps in appraisal process
      3. Situations requiring appraisal by certified appraiser
   B. Estimating Value
      1. Effect of economic principles and property characteristics
      2. Sales or market comparison approach
      3. Cost approach
      4. Income analysis approach
   C. Competitive/Comparative Market Analysis
      1. Selecting comparables
      2. Adjusting comparables

IV. Financing (Broker 8%)
   A. Basic concepts and terminology
      1. Points
      2. LTV
      3. PMI
      4. Interest
      5. PITI
      6. Financing instruments (mortgage, promissory note, etc.)
   B. Types of loans
      1. Conventional loans
      2. FHA insured loans
      3. VA guaranteed loans
      4. USDA/rural loan programs
      5. Amortized loans
      6. Adjustable-rate mortgage loans
      7. Bridge loans
      8. Owner financing (installment and land contract/contract for deed)
   C. Financing and lending
      1. Lending process application through closing
      2. Financing and credit laws and rules
         a) Truth in lending
         b) RESPA
         c) Equal Credit Opportunity
         d) CFPB/TRID rules on financing and risky loan features
      3. Underwriting
         a) Debt ratios
         b) Credit scoring
         c) Credit history

V. General principles of agency (Broker 11%)
   A. Agency and non-agency relationships
   1. Types of agents and agencies
2. Other brokerage relationships (non-agents)
   a) Transactional
   b) Facilitators

B. Agent’s duties to clients
1. Fiduciary responsibilities
2. Traditional agency duties (COALD)
3. Powers of attorney and other delegation of authority

C. Creation of agency and non-agency agreements; disclosure of conflict of interest
   1. Agency and agency agreements
      a) Key elements of different types of listing contracts
      b) Key elements of buyer brokerage/tenant representation contracts
   2. Disclosure when acting as principal or other conflict of interest

D. Responsibilities of agent to customers and third parties, including disclosure, honesty, integrity, accounting for money

E. Termination of agency
   1. Expiration
   2. Completion/performance
   3. Termination by force of law
   4. Destruction of property/death of principal
   5. Mutual agreement

VI. Property disclosures (Broker 7%)
A. Property condition
   1. Property condition that may warrant inspections and surveys
   2. Proposed uses or changes in uses that should trigger inquiry about public or private land use controls

B. Environmental issues requiring disclosure
C. Government disclosure requirements (LEAD)
D. Material facts and defect disclosure

VII. Contracts (Broker 18%)
A. General knowledge of contract law
   1. Requirements for validity
   2. Factors affecting enforceability of contracts
   3. Void, voidable, unenforceable contracts
   4. Rights and obligations of parties to a contract
   5. Executory and executed contracts
   6. Notice, delivery and acceptance of contracts
   7. Breach of contract and remedies for breach
   8. Termination, rescission and cancellation of contracts
   9. Electronic signature and paperless transactions
   10. Bilateral vs. unilateral contracts (option agreements)

B. Contract Clauses, including amendments and addenda

C. Offers/purchase agreements
   1. General requirements
   2. When offer becomes binding
   3. Contingencies
   4. Time is of the essence
      D. Counteroffers/multiple offers

1. Counteroffers
2. Multiple offers

VIII. Leasing and Property Management (Broker 5%)
A. Basic concepts/duties of property management
B. Lease Agreements
   1. Types of leases, e.g., percentage, gross, net, ground
   2. Key elements and provisions of lease agreements
C. Landlord and tenant rights and obligations
D. Property manager’s fiduciary responsibilities
E. ADA and Fair Housing compliance in property management
F. Setting rents and lease rates

IX. Transfer of Title (Broker 7%)
A. Title Insurance
   1. What is insured against
   2. Title searches, title abstracts, chain of title
   3. Marketable vs insurable title
   4. Potential title problems and resolution
   5. Cloud on title, suit to quiet title
B. Deeds
   1. Purpose of deed, when title passes
   2. Types of deeds and when used
   3. Essential elements of deeds
   4. Importance of recording
C. Escrow or closing; tax aspects of transferring title to real property
   1. Responsibilities of escrow agent
   2. Prorated items
   3. Closing statements/TRID disclosures
   4. Estimating closing costs
   5. Property and income taxes
D. Special processes
   1. Foreclosure
   2. Short sale
E. Warranties
   1. Purpose of home or construction warranty programs
   2. Scope of home or construction warranty programs

X. Practice of real estate (Broker 14%)
A. Trust/escrow accounts
   1. Purpose and definition of trust accounts, including monies held in trust accounts
   2. Responsibility for trust monies, including commingling/conversion
B. Federal fair housing laws and the ADA
   1. Protected classes
   2. Prohibited conduct (red-lining, blockbusting, steering)
   3. Americans with Disabilities (ADA)
   4. Exemptions
C. Advertising and technology
   1. Advertising practices
      a) Truth in advertising
      b) Fair housing issues in advertising
   2. Use of technology
      a) Requirements for confidential information
      b) Do-Not-Call List
D. Licensee and responsibilities
   1. Employee
2. Independent Contractor
3. Due diligence for real estate transactions
4. Supervisory responsibilities
   a) Licensees
   b) Unlicensed personnel
E. Antitrust laws
   1. Antitrust laws and purpose
   2. Antitrust violations in real estate

XI. Real estate calculations (Broker 8%)
A. Basic math concepts
   1. Loan-to-value ratios
   2. Discount points
   3. Equity
   4. Down payment/amount to be financed
B. Calculations for transactions
   1. Property tax calculations
   2. Prorations
   3. Commission and commission splits
   4. Seller's proceeds of sale
   5. Buyer funds needed at closing
   6. Transfer fee/conveyance tax/revenue stamps
   7. PITI (Principal, Interest, Taxes and Insurance) payments
C. Calculations for valuation, rate of return
   1. Net operating income
   2. Depreciation
   3. Capitalization rate
   4. Gross Rent and gross income multipliers

STATE SPECIFIC PORTION CONTENT OUTLINE

Real Estate Commission (6 items)

a. Purposes, Powers, and Duties.
b. License Law Violations, Investigations, and Audit of Records
c. Hearings, Penalties, and Appeals (Uniform License Law)

Licensing Requirements (7 items)

a. Activities Requiring License
   i. Limitations on activities of Unlicensed Assistants
   ii. Exceptions to licensure requirement
b. Qualifications for Licensure
   i. Education Requirements/Post-license, CE
   ii. Criminal Background checks/Fingerprinting
   iii. Licensing Procedure
   iv. Errors and Omissions Insurance
   v. Qualifying Broker experience requirements
c. License Renewal and Transfer Requirements
   i. Affiliation transfer
   ii. Change of name or of physical or email address

Real Estate Commission Regulations (15 items)
b. Qualifying Broker/Associate Broker Relationships, Employment and Independent Contractor Agreements.

c. Advertising and Signage.

d. Record Keeping.

e. Property Management
   i. Definition of Property Management
   ii. Time Issues
   iii. Requirement for written agreement
   iv. Must be under auspices of Qualifying Broker
   v. Property Management trust accounts and commingling issues

**Broker Duties, Disclosure and Brokerage Relationships (15 items)**

- Honesty, Reasonable Care and Professional and Ethical Conduct
- Compliance with Local, State, and Federal Laws (other than Fair Housing & Anti-Discrimination)
- Performance of Written Agreements
- Assistance to Clients and Customers in Completing Transactions
- Requirement to Advise Legal or other Expert Consultation if Needed
- Prompt Accounting for Money and Property
- Written Disclosure of Existing Brokerage Relationships, Personal Interest in Transaction
- Written Disclosure of Adverse Material Facts
- Confidentiality in Brokerage Relationships
- Types of Brokerage Relationships Available in New Mexico

**Additional State-Required Topics (7 items)**

- New Mexico Property Taxes
- New Mexico Mechanic’s Liens
- Septic systems
- Water rights issues (well and surface rights)
- New Mexico Human Rights Act
- PID disclosures
- HOA disclosures

**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);

**SAMPLE QUESTIONS**

The following questions are offered as examples of the types of questions you will be asked during the course of the New Mexico real estate 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.
APPLYING FOR A LICENSE

Once you have passed the required examination(s), you must apply for licensure with the Commission by mailing the completed License Application Form (found at the end of the Candidate Information Bulletin), licensure fee, all required documentation outlined in the application, including your original Passing Score Report. The Commission will determine your eligibility for licensure. The license fee is $270. Since the NMREC no longer accepts credit card payments. Payment can be made by Cashier’s Check, money order or personal check payable to the New Mexico Real Estate Commission. No cash is accepted. All questions about licensure information should be directed to:

New Mexico Real Estate Commission  
5500 San Antonio Dr. NE Suite B  
Albuquerque, NM 87109  
505.222.9820 • 800.801.7505  
www.rld.state.nm.us/boards/real_estate_commission.aspx

License applicants must apply within six months of passing their final examination.

The Real Estate Commission requires all applicants previously or currently licensed in real estate in another state to submit a certified license history from that state’s licensing agency.

The applicant must submit one of the two applications within this Bulletin: Associate Broker License Application; or Qualifying Broker (QB) License Application. The higher-level licensure application is for those who have QB equivalency in their current state(s)/jurisdiction of real estate licensure.

Applicants for licensure by the New Mexico Real Estate Commission and applicants for license renewal are required to be fingerprinted. Refer to Fingerprint details and instructions within the Application for License.

License applicants must provide proof of errors and omissions insurance to the Commission with their license application packet.

All active real estate Brokers are required to have errors and omission insurance. Licensees may obtain insurance from the Real Estate Commission’s contract insurance carrier, Rice Insurance Services, or from another carrier provided the carrier certifies to the Commission that their coverage is equivalent to the contract program. Enrollment information may be obtained from the Commission office or from Rice Insurance Services by calling 800.637.7319.

License applicants who intend to work for a brokerage that has a group insurance policy with an insurance company other than Rice Insurance Service should ask their Qualifying Broker to provide them with a certificate of insurance verifying current coverage, and verifying that the coverage being provided is equivalent to the coverage being provided by the Commission’s contract insurance carrier as required under Part 5 of the Commission Rules.
# Eligibility/Examination Registration Form

*Read the Candidate Information Bulletin before completing this form*

## CANDIDATE INFORMATION

<table>
<thead>
<tr>
<th>Last Name (include suffix: i.e., Jr., Sr., III)</th>
<th>First Name</th>
<th>Middle Name or Initial</th>
<th>Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Street Address (including apartment number or P.O. Box, if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City, State, ZIP Code</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E-mail Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Daytime Phone (including area code)</th>
<th>Cell Phone (including area code)</th>
<th>Date of Birth (MM/DD/YYYY)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Are you a legal resident of the United States?**  
☐ Yes  ☐ No

*Note: You must be a legal resident of the United States to qualify to take the Broker examination.*

**I am submitting the Exam Accommodations Request (and the end of this bulletin) and required documentation**  
☐ Yes  ☐ No

## BROKER QUALIFICATIONS

### ASSOCIATE BROKER:

- ☐ Must have completed 90 hours of classroom instruction in approved real estate courses (30 Hrs - Real Estate Law; 30 Hrs - Real Estate Principles and Practice; 30 Hrs - Broker Basics), no longer than three (3) years prior from the date on this application to take the examination. Provide the required documentation as indicated in items a, b and c under the *Real Estate Course Verification* section. When applying for the Associate Broker License, please use the Associate Broker License Application

### QUALIFYING BROKER:

1. ☐ **[Out of State QB Equivalency Applicants]** Following completion of the testing phase, out of state applicants who are currently Qualifying Broker Equivalents and are seeking to hold a Qualifying Broker License in New Mexico may apply using the Qualifying Broker License Application and provide the documentation (i.e. certified license history) that they hold a QB equivalent in their current state(s) or jurisdiction(s) of licensure for at least 2 of the last 5 years for Qualifying Brokers who may establish a Trade Name and open their own brokerage, but not supervise Associate Brokers; or 4 of the last 5 years for Qualifying Brokers who may establish a Trade Name and open their own brokerage AND be able to supervise Associate Brokers.

2. ☐ **[NM Salesperson Upgrades to QB]** Following completion of the testing phase, NM applicants who were originally licensed in NM as "salespersons" and who are seeking to hold a Qualifying Broker License in New Mexico may apply using the Qualifying Broker License Application and provide the documentation that they meet all the qualifications noted in the Rules of the Real Estate Commission Part 3, Sections: 16.61.3.12. Qualifying Broker Application Requirements; 16.61.3.11. Qualifying Broker Candidate Education Requirements for Application; and 16.61.3.10. Qualifying Broker Licensing Requirements

3. ☐ **[Out of State Upgrades to QB]** Following completion of the testing phase, Out of State applicants who licensed as "salespersons" or less than QB equivalents, who are seeking to hold a Qualifying Broker License in New Mexico may apply using the Qualifying Broker License Application and provide the documentation that they meet all the qualifications noted in the Rules of the Real Estate Commission Part 3, Sections: 16.61.3.12. Qualifying Broker Application Requirements; 16.61.3.11. Qualifying Broker Candidate Education Requirements for Application; and 16.61.3.10. Qualifying Broker Licensing Requirements

### Pre-Licensing Education Waiver Letter from the New Mexico Real Estate Commission:

- ☐ After June 14, 2013, candidates who are currently licensed in another state and who have received a Pre-Licensing Education Waiver Letter from the Education Director of the New Mexico Real Estate Commission are exempt from having to take the National portion of the broker’s examination. Please attach a copy of the waiver letter to this application. Such candidates must still take and pass the State portion of the broker’s exam and will be charged the full $95 examination fee.
### REAL ESTATE COURSE VERIFICATION

I am attaching documentation to verify I have met the following requirements (check appropriate boxes):

- [ ] a: 30 Hrs - Real Estate Law
- [ ] b: 30 Hrs - Real Estate Principles and Practice
- [ ] c: 30 Hrs - Broker Basics
- [ ] Letter of pre-licensing course waiver from New Mexico Real Estate Commission Education Administrator

### AFFIDAVIT

I hereby certify that all of the information contained in this completed form is true and correct to the best of my knowledge and belief.

Signature of Applicant ____________________________ Date ____________________________

Examination Fee is $95. Examination registration fees are nonrefundable.

**Payment:** Pay by credit card, money order, company check or cashier’s check payable to PSI. Cash and personal checks are not accepted.

If paying by credit card, check one:  
- [ ] VISA  
- [ ] MasterCard  
- [ ] American Express  
- [ ] Discover

Card No: ____________________________ Exp. Date: ____________________________

Card Verification No: ________________

Billing Street Address: ____________________________ Billing Zip Code: ____________________________

Cardholder Name (Print): ____________________________ Signature: ____________________________

Send this completed form with the $95 fee payment and all required documentation to:

**PSI licensure: certification**  
3210 E Tropicana  
Las Vegas, NV 89121  
(800) 733-9267  Fax (702) 932-2666  
Email: nmreapp@psionline.com

*By filing this registration, you assume full responsibility for your exam selection. If you are unsure which exam is necessary for the license type you are seeking, resolve this question before you register.*
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 exam accommodations.

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

Requirements for exam accommodation 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 __________________________________________ Social Security or ID#: __________________________

Legal Name: _____________________________________________________________________________

Last Name                First Name

Address: _____________________________________________________________

Street                  City, State, Zip Code

Telephone: (________) _______ - ___________   (________) _______ - ___________

Home                     Work

Email Address: __________________________________________________________________________

Check any exam accommodations 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: __________________________

*You may email your out-of-state request to
OutofStateRequest@psionline.com.

☑ Complete and fax this form, along with supporting documentation, to (702) 932-2666 or email it to
examaccommodations@psionline.com

☑ After 4 days, PSI Exam Accommodations will email you confirmation of approval with instructions for the next step.

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