



PSI licensure:certification  
3210 E Tropicana  
Las Vegas, NV 89121  
[www.psiexams.com](http://www.psiexams.com)

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

## LICENSING INFORMATION BULLETIN

### IOWA REAL ESTATE COMMISSION

200 E Grand, Ste 350  
Des Moines, Iowa 50309  
(515) 725-9022  
[www.plb.iowa.gov](http://www.plb.iowa.gov)

Effective September 1, 2018, the National Real Estate  
Broker and Salesperson Examinations will be updated.  
For more information go to [www.psiexams.com](http://www.psiexams.com) and select  
the "Updated Content Outline" under Messages.

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### PSI PHONE DIRECTORY

**FOR . . .**

Express Registration and Scheduling Appointment (24 hours)

FAX Registration (24 hours)

PSI Customer Service (Mon - Fri, 6:30 a.m. - 7:00 p.m. Central Time)

Requests for Information Bulletins and Registration Forms (24 hours)

Questions About Application for License

**CALL . . .**

800-733-9267

702-932-2666

800-733-9267

800-733-9267

Iowa Real Estate Commission  
515-725-9022  
[realestatecommission@iowa.gov](mailto:realestatecommission@iowa.gov)

### Fee Schedule

**Examination Fee:**

Salesperson Examination	\$95
Broker Examination	\$95

NOTE: REGISTRATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE.

## Iowa Examination Procedure Checklist

Before registering for an examination, make sure that you have reviewed the following checklist.

### Prepare for your examination(s):

- Use the examination content outline provided in this bulletin as the basis of your study (see page 3).

### Register for your examination(s):

- Complete the registration form on line, at [www.psiexams.com](http://www.psiexams.com), and send it to PSI via the Internet or;
- Completely fill out the PSI Registration Form (see page 14) and mail or fax to PSI or;
- Call (800) 733-9267 to register.
- Send online \_\_\_\_\_ (no wait for scheduling the examination date).
- Mailed on \_\_\_\_\_ (allow 2 weeks for processing before scheduling the examination date).
- Faxed on \_\_\_\_\_ (allow 4 business days for processing before scheduling the examination date).
- Phoned on \_\_\_\_\_ (no wait for scheduling the examination date).

**Each examination registration expires after 90 days. You MUST take the examination within 90 days of registration.**

### Schedule your examination(s):

- Once you have paid, you are responsible for calling PSI to schedule an appointment to take the examination at (800) 733-9267.
- Scheduled for:  
Examination Date: \_\_\_\_\_  
Examination Time: \_\_\_\_\_  
Examination Center Location: \_\_\_\_\_
- To change scheduled date, call back by \_\_\_\_\_

### Take your examination(s):

#### Bring one of the following original items to the Examination Center (required):

- Prelicense Education Completion Certificate; or
- If you have a waiver, the letter of authorization from the Commission; or
- If you plan to apply under 193E–5.3(543B) or on the basis of previous experience, a letter of authorization from the Commission.

***DO NOT REGISTER FOR THE EXAMINATION UNLESS YOU HAVE OBTAINED ONE OF THE ABOVE ORIGINAL ITEMS***

- Must bring two forms of identification which bear your signature. One of these must also have your photograph.  
Your name as shown on the application form must exactly match the name on the photo I.D. used when checking in at the examination site.
- Arrive 30 minutes prior to appointment.

### After your examination(s):

- Upon passing the examination, submit the required documents and fee to the Iowa Real Estate Commission.

Note: If you have questions regarding the license application, please contact the Commission at (515) 725-9022, or email: [realestatecommission@iowa.gov](mailto:realestatecommission@iowa.gov)

## EXAMINATIONS BY PSI LICENSURE: CERTIFICATION

The Commission has contracted with PSI licensure:certification (PSI) to conduct its examination program. PSI will provide computerized examinations through a network of testing centers. PSI works closely with the Real Estate Commission and its Examination Review Commission to be certain that examinations meet state requirements and test development standards. Our real estate examination program has been awarded certification by the Association of Real Estate License Law Officials (ARELLO). All questions and requests for information about examinations should be directed to:

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

Questions about applications for licensure should be directed to the:

IOWA REAL ESTATE COMMISSION  
200 E. Grand, Ste. 350  
Des Moines, IA 50309  
(515) 725-9022  
[realestatecommission@iowa.gov](mailto:realestatecommission@iowa.gov)

## LICENSING QUALIFICATIONS

This bulletin provides you with information about the license examination and application process for becoming licensed as either a real estate salesperson or real estate broker in the state of Iowa. The Iowa Real Estate Commission is authorized by Chapter 543B, Code of Iowa, to qualify individuals who wish to operate as real estate salespersons or brokers as defined by Iowa statutes. To be licensed, you must pass an examination to confirm that you have attained at least a minimum level of knowledge regarding the statutes and regulations affecting the real estate profession. After passing this examination, you must apply to the Iowa Real Estate Commission to obtain a license. Once the Commission has verified that you have met all of the requirements for licensure (detailed below), the Commission will issue the appropriate license. In order to qualify for an Iowa real estate license, you must

1. Be a person 18 years of age or over. (You may actually sit for the exam before you are 18 but you must be 18 before you make application for a license, which must be within six months after you pass the exam.)

2. Be a person whose application has not been rejected for licensure in this or any other state within twelve months prior to the date of application, and whose real estate license has not been revoked in this or any other state within two years prior to date of application.

In addition:

**Applicants for the Salesperson Examination** must successfully complete the Commission-approved 60-hour pre-license course in real estate education during the 12 months prior to taking the salesperson examination. A list of schools is available from the Iowa Real Estate Commission. (Go to [www.state.ia.us/irec](http://www.state.ia.us/irec) and click on "Education Index".)

**Applicants for the Broker Examination** must successfully complete 72 hours of Commission-approved Broker pre-license education within 24 months prior to taking the broker examination. Further, a broker applicant must be a licensed real estate salesperson actively engaged in real estate for a period of at least 24 months preceding the date of application.

## NONRESIDENT LICENSES

A nonresident of Iowa may be licensed as a real estate broker or salesperson upon complying with the requirements, as provided in section 543B.15, Code of Iowa, and 193E-5.3. The applicant must also provide the Real Estate Commission with certification from the state of original licensure that the applicant is currently licensed in that state, that no charges against the applicant are currently pending, and that the applicant's record in that state justifies the issuance of a license in Iowa. The Commission may waive the requirement of an examination in the case of a nonresident broker who is licensed in a state whose laws have similar requirements and where similar recognition and courtesies (called reciprocity) are extended to real estate brokers and salespersons licensed in Iowa. Contact the Iowa Real Estate Commission for further details and procedures for nonresident licensure.

## IOWA PORTION EXAMINATIONS

Iowa Real Estate Commission Rules and Regulations 193E-5.3 (543B) stipulates that individuals who are licensed by examination as real estate salespersons or brokers in states which do not have a reciprocity agreement with Iowa must pass an Iowa state portion examination to be issued a comparable Iowa license. The state portion examination is limited to Iowa real estate laws and practices. In order to qualify to take this examination, you must contact the Commission to receive a letter of authorization. That letter must be shown at the examination center on the day of the examination. (There will be no exceptions).



## INSTRUCTIONS FOR LICENSE QUALIFICATION

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

### 1. PREPARATION:

Prepare yourself for the examination by using the exam outline in this bulletin and the suggested study materials that cover the outline topics.

### 2. REGISTRATION:

Mail your exam registration at least two weeks before you want to take the exam. Be sure that the registration form is complete and accurate, and that you include the correct fees. If incorrect, the form and the fees will be returned to you unprocessed.

### 3. CANCELLATION:

Read and understand the exam registration expiration and cancellation provisions.

### 4. IDENTIFICATION:

Take the exam on the day you have scheduled. Be sure to bring proper identification.

### 5. APPLICATION:

After you have passed your examination, send your license application form, any other required information, and the correct fees to the Iowa Real Estate Commission no later than the last business day of the sixth month following the qualifying examination date. Filing deadlines are ABSOLUTE.

## 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 State Real Estate Commission. Use the latest edition available.

### NATIONAL PORTION OF THE EXAMINATION

- *Real Estate Fundamentals*, 9<sup>th</sup> Edition, Gaddy and Hart, Dearborn Real Estate Education, (800) 972-2220, [www.dearborn.com](http://www.dearborn.com)
- *Modern Real Estate Practice*, 18<sup>th</sup> Edition, Galaty, Allaway, and Kyle, Dearborn Real Estate Education, (800) 972-2220, [www.dearborn.com](http://www.dearborn.com)
- *Real Estate Law*, 8<sup>th</sup> Edition, 2013, Elliot Clayman, Dearborn Real Estate Education, (800) 972-2220, [www.dearborn.com](http://www.dearborn.com)
- *The Language of Real Estate*, 7<sup>th</sup> Edition, 2013, John Reilly, Dearborn Real Estate Education, (800) 972-2220, [www.dearborn.com](http://www.dearborn.com)
- *Real Estate Principles & Practices*, 8<sup>th</sup> Edition, Arlyne Geschwender, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855-733-7239, [www.oncoursepublishing.com](http://www.oncoursepublishing.com) ISBN 0324784554
- *Real Estate Principles*, 12<sup>th</sup> Edition, Charles Jacobus, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855-733-7239, [www.oncoursepublishing.com](http://www.oncoursepublishing.com) ISBN 1285420985

## STATE PORTION FOR IOWA LAWS, RULES, AND REGULATIONS

- Iowa Code Chapter 543B
- Iowa Administrative Code Chapter 193E (Rules of the Iowa Real Estate Commission)
- Iowa Fair Housing Guide

## TYPES OF EXAMINATIONS GIVEN

The following are the examinations offered by PSI licensure:certification:

- Salesperson Examination
- Broker Examination
- Iowa Portion Only/Salesperson Examination
- Iowa Portion Only/ Broker Examination

**Note:** Prior written authorization to take the Iowa portion only examinations **MUST** be received from the Iowa Real Estate Commission and will be required at the examination center.

Now you can take the practice exam online at [www.psiexams.com](http://www.psiexams.com) to prepare for your Iowa 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.

## TIPS FOR PREPARING FOR YOUR LICENSE EXAMINATION

The following suggestions will help you prepare for your license examination. Planned individual preparation in addition to the required classroom hours increases your likelihood of passing.

- Start with a current copy of the Licensing Information Bulletin.
- Use the exam content outline as the basis of your study. The outline itself is a study tool because it can familiarize you with the real estate terms.
- Learn the major points associated with each outline topic. Major points include definition, use, and eligibility.
- Select study materials and courses 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.
- Read the study materials, making sure you understand each item before going on to another.



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

- Check each topic off the outline when you feel you have an adequate understanding. Plan to take your examination when all topics have been checked.
- 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.

## DESCRIPTION OF EXAMINATIONS & EXAMINATION CONTENT OUTLINES

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

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

The Examination Summary Table below shows the number of questions and the time allowed for each exam portion.

EXAMINATION SUMMARY TABLE

Examination	Portion	# of Items	Passing Score	Time Allowed
Salesperson	National	80	56	120 minutes
	State	40	28	60 minutes
	Both	120	84	180 minutes
Broker	National	80	60	120 minutes
	State	40	30	60 minutes
	Both	120	90	180 minutes

## National Portion

### (REAL ESTATE PRINCIPLES AND PRACTICES) CONTENT OUTLINE

#### **Property ownership (Salesperson 7 items/Broker 6 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
  - e. Physical descriptions of property and improvements
  - f. Mineral, air and water rights
3. Encumbrances and effects on property ownership
  - 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 ownership properties
  - e. Bundle of rights

#### **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. 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. Homeowners association (HOA) regulations

#### **Valuation and market analysis (Salesperson 8 items/Broker 6 items)**

1. Value
  - a. Market value and market price
  - b. Value
    - i. Types and characteristics of value
    - ii. Principles of value
    - iii. 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 (e.g., replacement versus reproduction cost, reconciliation, depreciation, kinds of obsolescence)

3. Competitive/Comparative Market Analysis (CMA)
  - a. Selecting and adjusting comparables
  - b. Contrast CMA and appraisal
    - i. Price per square foot
    - ii. Gross rent and gross income multipliers
    - iii. Capitalization rate
4. Appraisal practice; situations requiring appraisal by a certified appraiser

#### Financing (Salesperson 6 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 and sources of loan money
  - a. Term or straight loans
  - b. Amortized and partially amortized (balloon) loans
  - c. Adjustable rate mortgage (ARM) loans
  - d. Conventional versus insured
  - e. Reverse mortgages; equity loans; subprime and other nonconforming loans
  - f. Seller/owner financing
  - g. Primary market
  - h. Secondary market
  - i. Down payment assistance programs
3. Government programs
  - a. FHA
  - b. VA
  - c. Other federal programs
4. Mortgages/deeds of trust
  - a. Mortgage clauses (assumption, due-on-sale, alienation, acceleration, prepayment, release)
  - b. Lien theory versus title theory
  - c. Mortgage/deeds of trust and note as separate documents
5. Financing/credit laws
  - a. Lending and disclosures
    - i. Truth in lending
    - ii. RESPA
    - iii. Integrated Disclosure Rule (TRID)\*
    - iv. Equal Credit Opportunity
  - b. Fraud and lending practices
    - i. Mortgage fraud
    - ii. Predatory lending practices (risks to clients)
    - iii. Usury lending laws
    - iv. Appropriate cautions to clients seeking financing

\*The new TRID rule regarding the integrated loan estimate and closing disclosure forms took effect on October 3, 2015.

#### General principles of agency (Salesperson 10 items/Broker 11 items)

1. Nature of agency relationships
  - a. Types of agents and agencies (special, general, designated, subagent, etc.)
  - b. Nonagents (transactional/facilitational)
  - c. Fiduciary responsibilities
2. Creation and disclosure of agency and agency agreements (general, not state specific)
  - a. Agency and agency agreements
  - b. Disclosure when acting as principal or other conflict of interest

3. Responsibilities of agent/principal
  - a. Duties to client/principal (buyer, seller, tenant or landlord)
  - b. Traditional common law agency duties; effect of dual agency on agent's duties
4. Responsibilities of agent to customers and third parties, including disclosure, honesty, integrity, accounting for money
5. Termination of agency
  - a. Expiration
  - b. Completion/performance
  - c. Termination by force of law
  - d. Destruction of property/death of principal
  - e. Mutual agreement

#### Property condition and disclosures (Salesperson 8 items/Broker 9 items)

1. Property condition disclosure
  - a. Property owner's role regarding property condition
  - b. Licensee's role regarding property condition
2. Warranties
  - a. Purpose of home or construction warranty programs
  - b. Scope of home or construction warranty programs
3. Need for inspection and obtaining/verifying information
  - a. Explanation of property inspection process and appropriate use
  - 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 such as roof, gutters, downspouts, doors, windows, foundation
  - e. Condition of electrical and plumbing systems, and of equipment or appliances that are fixtures
  - f. Location within natural hazard or specifically regulated area, potentially uninsurable property
  - g. Known alterations or additions
5. Material facts related to public controls, statutes of public utilities
  - a. 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
  - e. Stigmatized/psychologically impacted property, Megan's Law issues

#### Contracts (Salesperson 11 items/Broker 12 items)

1. General knowledge of contract law
  - a. Requirements for validity
  - b. When contract is considered performed/discharged
  - c. Assignment and novation
  - d. Breach of contract and remedies for breach
  - e. Contract clauses

2. Listing agreements
  - a. General requirements for valid listing
  - b. Exclusive listings
  - c. Non-exclusive listings
3. Buyer/tenant representation agreements, including key elements and provisions of buyer and/or tenant agreements
4. Offers/purchase agreements
  - a. General requirements
  - b. When offer becomes binding (notification)
  - c. Contingencies
  - d. Time is of the essence
5. Counteroffers/multiple counteroffers
  - a. Counteroffer cancels original offer
  - b. Priority of multiple counteroffers
6. Leases
  - a. Types of leases, e.g., percentage, gross, net, ground
  - b. Lease with obligation to purchase or lease with an option to purchase
7. Other real estate contracts
  - a. Options
  - b. Right of first refusal

#### Transfer of title (Salesperson 5 items/Broker 5 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. 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
3. Escrow or closing; tax aspects of transferring title to real property
  - a. Responsibilities of escrow agent
  - b. Prorated items
  - c. Settlement Statements
  - d. Estimating closing costs
  - e. Property and income taxes
4. Special processes
  - a. Foreclosure/short sale
  - b. Real estate owned (REO)

#### Practice of real estate (Salesperson 12 items/Broker 12 items)

1. Trust/escrow accounts (general, not state specific)
  - a. Purpose and definition of trust accounts, including monies held in trust accounts
  - b. Responsibility for earnest money and other trust monies, including commingling/conversion
2. Federal fair housing laws
  - a. Protected classes
    - i. Covered transactions
    - ii. Specific laws and their effects
  - b. Compliance
    - i. Types of violations and enforcement
    - ii. Exceptions
3. Advertising and technology
  - a. Incorrect "factual" statements versus "puffing"
    - i. Truth in advertising
    - ii. Fair housing issues in advertising
  - b. Fraud, technology issues
    - i. Uninformed misrepresentation versus deliberate misrepresentation (fraud)

- ii. Technology issues in advertising and marketing

4. Agent supervision and Broker-Associate Relationship
  - a. Liability/responsibility for acts of associated licensees (employees or independent contractors) and unlicensed employees
  - b. Responsibility to train and supervise associated licensees (employees or independent contractors) and unlicensed employees
5. Commissions and fees
  - a. Procuring cause/protection clauses
  - b. Referrals and other finder fees
6. General ethics
  - a. Practicing within area of competence
  - b. Avoiding unauthorized practice of law
7. Antitrust laws
  - a. Antitrust laws and purpose
  - b. Antitrust violations in real estate

#### Real estate calculations (Salesperson 6 items/Broker 4 items)

1. Basic math concepts
  - a. Area
  - b. Loan-to-value ratios
  - c. Discount points
  - d. Equity
  - e. Down payment/amount to be financed
2. Calculations for transactions, including mortgage calculations
3. Property tax calculations
4. Prorations (utilities, rent, property taxes, insurance, etc.)
  - a. Commission and commission splits
  - b. Seller's proceeds of sale
  - c. Transfer tax/conveyance tax/revenue stamps
  - d. Amortization tables
  - e. Interest rates
  - f. Interest amounts
  - g. Monthly installment payments
  - h. Buyer qualification ratios
5. Calculations for valuation
  - a. Competitive/comparative market analyses (CMA)
  - b. Net operating income
  - c. Depreciation
  - d. Capitalization rate
  - e. Gross rent and gross income multipliers (GRM, GIM)

#### Specialty areas (Salesperson 2 items/Broker 3 items)

1. Subdivisions, including development-wide CC & Rs
2. Commercial, industrial and income property
  - a. Trade fixtures
  - b. Accessibility
  - c. Tax depreciation
  - d. 1031 exchanges
  - e. Trust fund accounts for income property

#### State Portion

State Real Estate Laws and Commission Rules includes a knowledge of state legislation as outlined in The Code of Iowa (Chapter 543B) and Iowa Administrative Code (193E) dealing with real estate licensing. Also included is a knowledge of legislation and rules governing transfer taxes, property taxes, and fair housing.



Topic Area	Sales-person Items	Broker Items
Licensing Requirements	2	2
License Maintenance	3	4
Disciplinary Actions - Suspension, Revocation and Voluntary Compliance	4	4
Real Estate Education	3	2
Trust Accounts	3	4
Contracts	7	5
Agency	6	4
Prop Disclosure Requirements	5	3
Iowa Civil Rights Act of 1965	1	1
Unlicensed Assistants	2	2
Broker Responsibilities	2	6
Property Management	2	3

## SAMPLE QUESTIONS

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

### SAMPLE SALESPERSON QUESTIONS

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

- 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*

### EXPERIMENTAL QUESTIONS

In addition to the number of test questions identified under "Exam Content Outline" earlier, 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.

## REGISTRATION & SCHEDULING PROCEDURES

**ATTENTION: REGISTRATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE.**

### ON-LINE (WWW.PSIEXAMS.COM)

For the fastest and most convenient examination scheduling process, PSI recommends that you register for your examinations using the Internet. You register online by accessing PSI's registration website at [www.psiexams.com](http://www.psiexams.com). Internet registration is available 24 hours a day.

- Log onto PSI's website and create an account. You will be asked to put in your email address and the spelling of your name exactly as it is shown on your identification that will be presented at the examination site.
- You will be asked to select the examination. You will then enter your personal and contact information. You will then be ready to pay and schedule for the examination. Enter your zip code and a list of the examination sites closest to you will appear. Once you select the desired examination site, available dates will appear.

### STANDARD MAIL REGISTRATION

1. Complete the Examination Registration Form. Return the form with your appropriate fee. Payment may be made by credit card (Visa, MasterCard, American Express or



Discover), money order, company check or cashier's check. **Cash or personal checks are NOT accepted.** Because mail delivery can take four to eight days, you should register about two weeks before you want to take the exam. Checks should be mailed to PSI.

2. Each exam registration expires after 90 days. There are no refunds.
3. If your application or fees are not correct, we will return them to you immediately with instructions on correct application procedures.
4. Schedule your exam by calling (800) 733-9267 24 hours a day.

### TELEPHONE REGISTRATION (800) 733-9267

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. If you wish to schedule your exam during the same call, be prepared with the location and appointment date and time you prefer. Have your personal appointment calendar handy in case your first choice is not available.
2. Call (800) 733-9267 and speak to a registrar, Monday through Friday between 6:30 am and 9:00 pm, and Saturday-Sunday between 8:00 am and 4:30 pm, Central Time.

### FAX REGISTRATION

For Fax 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.
2. Fax the form to (702) 932-2666.

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.

### 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 Iowa Real Estate Commission. 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 Iowa Real Estate Commission in order to be licensed.

### 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 to PSI (702) 932-2666. This form also includes out-of-state testing requests.

### REGISTRATION EXPIRATION

After registering for an examination, you must take that exam within 90 days or forfeit the registration fee. Your Registration Confirmation Notice will contain your expiration date. If you fail to take an exam during the 90 days, you will need to re-apply and pay another registration fee. **NOTE: You must TAKE the exam within 90 days and not just schedule for one. If you have not scheduled an exam by the 80<sup>th</sup> day, you will run the risk of not being able to take the exam by the 90<sup>th</sup> day due to weekends, holidays, or non-testing days. The 90-day period is intended to accommodate emergencies that may arise soon after registering for an exam. It is advisable that you schedule your appointment soon after receiving your confirmation notice.**

### SCHEDULING AN APPOINTMENT

You are responsible for making an appointment to take the examination. PSI will make every effort to schedule the examination center location and time that is most convenient for you.

### CANCELING AN APPOINTMENT

You may cancel and reschedule an appointment with no penalty, if your cancellation notice is received 2 days before the scheduled examination date. (For example, for a Monday appointment, the cancellation notice would need to be received on the previous Saturday.)

**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.**

### SCHEDULING A RE-EXAMINATION

It is not possible to make a new examination appointment on the same day you have taken an examination; this is due to processing and reporting scores. A candidate who tests unsuccessfully on a Wednesday can call the next day, Thursday, and retest as soon as Friday, depending upon space availability. You may access a registration form at [www.psiexams.com](http://www.psiexams.com). You may also call PSI at (800) 733-9267.

### MISSED APPOINTMENT OR LATE CANCELLATION

Your registration will be invalid, and you will not be able to take the examination if you:

- cancel your appointment with less than 2 days' notice; or
- do not appear for appointment; or
- arrive too late to begin your examination without disrupting the center's schedule (usually more than 15 minutes late); or



- do not present proper identification and pre-license education documents when you arrive for the examination (see “Required Identification”); or
- do not schedule and take your examination prior to the last business day of the 90-day registration expiration period.

### EMERGENCY EXAMINATION CENTER CLOSING

In the event that severe weather or another emergency forces the closure of an examination center on a scheduled examination date, your examination will be rescheduled. You will be contacted in this situation; however, you may check the status of your examination schedule by calling (800) 733-9267. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You may also check our website at [www.psiexams.com](http://www.psiexams.com).

## EXAMINATION CENTER LOCATIONS

The three Iowa examination center locations are located in Council Bluffs, West Des Moines, and Cedar Rapids. Driving instructions are provided below, but it is advisable that you refer to a map when trying to get to your examination center.

#### Council Bluffs

1705 McPherson, Suite 300  
Council Bluffs, IA 51503

*From I-80, exit Madison Avenue/Mall of the Bluffs and proceed north toward the Mall. Turn right on Bennett Avenue and proceed approximately 1 mile until it ends at McPherson. Turn right into the driveway.*

#### West Des Moines

1001 Office Park Road, Suite 315  
West Des Moines, IA 50265

*From I-235, exit 8th St/73rd Street and proceed south. Turn right on Office Park Road. Turn right into the driveway.*

#### Cedar Rapids/Iowa City Area

Erbs Business Center  
4935 Bowling Street SW, #203  
Cedar Rapids, IA 52404

*From I-380, take US 30 east and exit the first exit Bowling Street/Kirkwood Boulevard. Proceed north on Bowling Street approximately ¼ mile. Turn right into the Erbs business center driveway. The examination center is in the southern annex, to the right.*

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

## REPORTING TO THE EXAMINATION CENTER

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

### REQUIRED IDENTIFICATION

You must provide 2 forms of identification. One must be a VALID form of government issued identification (driver’s license, state ID, passport, military ID), which bears your signature and has your photograph. The second ID must have your signature and preprinted legal name.

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

One of the following items is to be shown at the examination center on the test day and is to be retained and submitted with the application for licensure. There are no exceptions, all candidates testing must comply with one of the following.

1. Your Pre-license Education Completion Certificate(s) (60 hours for Salesperson examination; 72 hours for Broker examination); *or*
2. If you have been granted a waiver of pre-license education, a letter of authorization from the Commission; *or*
3. If you plan to apply for license under 193E–5.3 (543B) or on the basis of experience from a previous license period, a letter of authorization from the Commission. If you cannot provide a letter of authorization from the Commission at the examination center, you will not be allowed to take the examination.

### Security Procedures

The following security procedures will apply during the examination:

- The candidate will be issued scratch paper and pencil.
- The candidate may bring a non-programmable calculator that is silent, battery-operated, does not have paper tape printing capabilities, and does not have a keyboard containing the alphabet.
- 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:
  - 0 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.



- 0 **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.
- 0 **Hats or headgear not worn for religious reasons** or as religious apparel, including hats, baseball caps, or visors.
- 0 **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 screen provides mouse-click access to the features available while taking the examination.



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.

## SCORE REPORTING

In order to pass the examinations, you must achieve the minimum score shown on each part of the examination.

Salesperson	Number Correct
Combined (National and State) .....	84
State Portion .....	28
<b>Broker</b>	
Combined (National and State) .....	90
State Portion .....	30

When you complete the examination, your total score, pass/fail indication, and sub-scores for each section of the examination will be reported to you immediately on the computer terminal. A written score report will also be printed at that time.

Examination results are confidential and will be reported only to you and the Iowa Real Estate Commission.

If you pass the examination, you will receive a real estate license application form with your score report. **You are responsible for submitting your application to the Iowa**



Real Estate Commission no later than the last business day of the sixth month after the qualifying examination date.

If you do not pass, you must retake the examination before you can be licensed. Submit a new registration form and the appropriate fee to PSI and schedule an appointment to retake the examination.

### DUPLICATE SCORE REPORTS

You may request a duplicate score report after your examination by emailing [scorereport@psionline.com](mailto:scorereport@psionline.com) or by calling 800-733-9267.

## LICENSE APPLICATION INSTRUCTIONS

The license process cannot begin until you have passed the examination and received a passing score report.

You will receive a license application form with your passing score report. Complete and return the form to:

Iowa Real Estate Commission  
200 E Grand, Ste 350  
Des Moines, IA 50309

Questions regarding the license application should be directed to the Commission (telephone: (515) 725-9022, E-Mail: [realestatecommission@iowa.gov](mailto:realestatecommission@iowa.gov)). Do not contact PSI. In addition to the requirements that follow, each applicant must be able to establish his/her honesty, trustworthiness, competency, and good reputation beyond doubt to the satisfaction of the Commission to be licensed as a Salesperson or Broker.

### SALESPERSON CANDIDATES

Filing deadlines are ABSOLUTE. You MUST apply for your real estate salesperson's license **no later than the last business day of the sixth month** following the qualifying examination test date.

You may NOT file an original application as "inactive." You will need a sponsoring broker to sign the Broker Certification section of your application for license, verifying that you are associated either with or engaged by that broker. You MUST have a broker sign to get your original license.

You will need to submit a certificate of completion of the required 60-hour pre-license course with the application. (Not applicable to persons applying under the Rule 193E-5.3 (543B) or by reciprocity.)

If you have any questions concerning the acceptability of your hours, please contact the Real Estate Commission **prior to filing your application for the examination** — your class work must be completed **prior to taking the examination**.

### You will need to attach to your license application the following items:

1. A license fee of \$125.
2. A pass notice from the examination service.
3. Proof of completion of the 60-hour pre-license course prior to taking the examination and obtaining a license. This must be in the form of a completion certificate(s).
4. Proof of E&O Insurance.
5. An applicant applying for an original salesperson license must provide evidence of successful completion of the following courses: 12 hours of Developing Professionalism and Ethical Practices, 12 hours of Buying Practices and 12 hours of Listing Practices. This education is in addition to the 60-hour salesperson prelicense course. The applicant must complete all the required education during the 12 months prior to the date of application.

### In completing your application:

1. You must complete the "Nonresident Consent" section of the application if you reside outside of Iowa.
2. You must provide the notarized signature of your employing broker on your license application form.
3. You must have your signature notarized on the license application form.

### BROKER CANDIDATES

Filing deadlines are ABSOLUTE. After you have passed the examination, you MUST apply for your real estate broker's license **no later than the last business day of the sixth month** following the qualifying examination test date.

### You will need to attach to your license application the following items:

1. A license fee of \$170.
2. A pass notice from the examination service.
3. Proof of completing 72 hours of education within 24 months prior to taking the examination.
4. Your Iowa salesperson license, or an explanation, if your license has been held inactive or if you do not have an Iowa salesperson license.
5. Proof of E&O Insurance.

### In completing your application:

1. You must complete the "Nonresident Consent" section of the application if you reside outside of Iowa.
2. You must have your signature notarized on the license application form.
3. If your application is for a proprietor, partner or officer and you intend to accept earnest monies you must submit a "Consent to Examine and Audit Trust Account" form. If not, you must submit a "Trust Account Status Affidavit." These forms can be obtained from the Real Estate Commission or at [www.state.ia.us/irec](http://www.state.ia.us/irec).







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

- Order online at [www.psionlinestore.com](http://www.psionlinestore.com)
- Call the PSI Online store toll-free at (866) 589-3088

Note: prices are available online at [www.psionlinestore.com](http://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.*



# EXAM ACCOMMODATIONS 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 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 accommodations:

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: \_\_\_\_\_

SS#: \_\_\_\_\_

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):

- |  |  |
|--|--|
| <input type="checkbox"/> Reader (as accommodation for visual impairment or learning disability)                | <input type="checkbox"/> Extended time<br>(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 or email it to [examaccommodations@psionline.com](mailto: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 EXAM ACCOMMODATIONS.**



PSI licensure:certification  
3210 E Tropicana  
Las Vegas, NV 89121