

## Washington Real Estate Law Final Exam

### Washington License Law

1. When one individual sues another for compensation it is called a \_\_\_\_\_.
2. A legally binding promise is called a \_\_\_\_\_.
3. Statutory law is created by the \_\_\_\_\_.
4. In Washington State, the Consumer protection Act is to protect the marketplace from \_\_\_\_\_.
5. All real estate Firms must have a \_\_\_\_\_ under RCW 18.85.091.
6. A real estate firm must have a name that is \_\_\_\_\_ so that it is not the same as another firm.
7. The Designated Broker of a real estate Firm cannot just be any Managing Broker in the firm. The Designated Broker must have \_\_\_\_\_ interest in the Firm.
8. A Designated Broker must hold a \_\_\_\_\_ license and then have an endorsement from the Dept of Licensing to be the Designated Broker.
9. Can a Designated Broker act as the Designated Broker for more than one firm? Yes/ No
10. The person responsible to maintain and implement written policies on referrals of home inspectors is the \_\_\_\_\_ of the firm.
11. In order to be a Managing Broker, the applicant must have \_\_\_\_\_ years experience (or equivalent), take 90 hours of instruction, be 18 years of age, and pass the exam.
12. All Brokers licensed after July 2010 must be under the supervision for two years of the Designated Broker or a \_\_\_\_\_ who has been delegated the responsibility.

13. All Brokers are responsible to keep the Dept of Licensing informed of his/her: (choose one)
- a. Age
  - b. Address
  - c. Renewal Date
  - d. Transactions
14. The Designated Broker must be a “ \_\_\_\_\_ Person.”
15. A Designated Broker may have branch offices under the same name as the Firm. Each office will have a Branch Manager who has a \_\_\_\_\_ license.
16. Any responsibilities that a Designated Broker assigns to a Managing Broker must be in writing and kept in a log and \_\_\_\_\_ by all parties.
17. All real estate Brokers and managing Brokers must submit complete copies of their Transaction files to the \_\_\_\_\_ in a timely manner.
18. All real estate records kept by the firm must be available for the Department of Licensing for a minimum of \_\_\_\_\_ years.
19. All license terminations can be unilaterally by the Broker, Managing Broker, Branch Manager or Designated Broker. All terminations must be by \_\_\_\_\_ notice and forwarded to the Dept of Licensing.
20. If a licensee exercises control over real estate transaction funds, those funds are considered/ called \_\_\_\_\_.
21. All real estate firms are required by law to maintain a trust account. True / False
22. During an Audit by the Department of Licensing, the auditor will examine the licenses of the firm and licensees to verify:
- a. Current and up to date
  - b. Available to the public
  - c. License names are used properly
  - d. All of the above
23. The real estate auditor will review brokerage transaction files with the last \_\_\_\_\_ years.

24. The Uniform Regulation of Business and Professions Act created standard procedures for regulation and enforcement of the \_\_\_\_\_ that real estate licensees are obligated to obey. \_\_\_\_\_

25. Real estate agents are considered to be self employed but are still required to pay Workers \_\_\_\_\_ that could cover injured workers medical care.

## Real Estate Law of Agency

26. Agency is a conceptual relationship between two parties. True / False

27. The Washington Law on Agency applies to all real estate agents except property managers. True / False

28. An agent representing two opposing parties is known as a \_\_\_\_\_.

29. A pamphlet on the Law of Real Estate Agency must be given to \_\_\_\_\_

30. When is it required to give a copy of the Agency Law pamphlet to the prospective purchaser? \_\_\_\_\_

31. The Agency Law creates the presumption that the agent represents the \_\_\_\_\_.

32. A broker is a “buyers agent” unless the licensee has entered into a written agreement with a \_\_\_\_\_.

33. It is most important to decide and disclose who the agent is representing. True / False

34. A “buyer” means an actual or prospective purchaser or \_\_\_\_\_ leasing property.

35. An agency relationship can be created by a contract or by the \_\_\_\_\_ of the broker.

36. A listing agreement is an example of a written agency contract. True / False

37. An example of brokerage services is when a person with the promise of compensation negotiates the sale of real property. True / False

38. Agency relationships can be terminated by mutual agreement, completion of performance by licensee, and \_\_\_\_\_

39. In Washington State in order for an agent to enforce a payment of commission on a real estate transaction the agreement must be in \_\_\_\_\_ according to the Statute of Frauds.

40. A principle is not liable for an act, error or omission by an agent due to the agency relationship because the Agency Law eliminates \_\_\_\_\_

41. A real estate agent has the duty to deal honestly and in good faith with *only* the party the agent represents. True / False

42. An agent must account in a timely manner for all \_\_\_\_\_ received on behalf of either party.
43. Agency disclosure may be made after an agreement is prepared, provided it is made before \_\_\_\_\_ any contract or agreement.
44. The Agency Law eliminates the principle of knowledge of and notice to an agent is \_\_\_\_\_ to the principle.
45. Information that operates to impair or defeat the purpose of the transaction is considered a \_\_\_\_\_ and must be disclosed.
46. Once the agency relationship terminates, the agent has two duties. They include the duty to account for all monies and to not \_\_\_\_\_.
47. If a Broker writes an offer on a property that is listed with the same firm, the Broker must decide who he/she represents and it must be in \_\_\_\_\_ to all parties.
48. The seller consents to dual agency in writing on the \_\_\_\_\_ contract.
49. The seller must receive a copy of the pamphlet on the Law of Agency before they sign \_\_\_\_\_.
50. An unlicensed real estate assistant can provide information about a listing from published listing information. True / False

## Contracts Law

51. All listing agreements should specify a definite \_\_\_\_\_ date or they could last forever.
52. A contract that has been put into words either spoken or written is called an \_\_\_\_\_ contract.
53. In a real estate transaction, the contract is a unilateral contract because the seller is the only one that has to perform. True / False
54. When a contract is executory / executed (choose one) the contract has not been fully performed.
55. To enter into a valid contract, a person must be 18 years old and \_\_\_\_\_.
56. The Statute of Frauds refers to the provisions in Washington State law that requires that all real estate contracts be in \_\_\_\_\_.
57. If seller finds a buyer under an Exclusive Agency Listing then the seller owes/does not owe commission to the agent.

58. A \_\_\_\_\_ is a marketing organization whose broker members make their exclusive listings available to other members.
59. An employment contract for a broker's services is known as a \_\_\_\_\_
60. In order to enforce the payment of commission for a brokers services, the listing contract must be in writing according to the \_\_\_\_\_.
61. A listing agreement should! should not include details as to which items of personal property stay with the property.
62. A listing agreement gives the broker the right to \_\_\_\_\_ the property.
63. The seller is required by law to provide to the buyer a copy of the \_\_\_\_\_ no later than 5 days after mutual acceptance of an offer.
64. An agent can determine who has title to a property by reviewing \_\_\_\_\_
65. A broker can be entitled to commission after a listing expires if the seller sells the property to a purchaser who \_\_\_\_\_
66. The seller agrees in the listing to pay for a title insurance policy proving the seller has \_\_\_\_\_ title to the property.
67. In a community property state when title is held by a married couple, \_\_\_\_\_ must sign contracts.
68. Washington State does! does not require the seller to complete a property information disclosure form if they sell "by owner."
69. Earnest money is required for all purchase and sale agreements in Washington State. True / False
70. In a multiple offer situation, the seller can choose one offer over another because of the race of the buyers. True / False
71. A person that is pressured or coerced to sign a fraudulent contract can / cannot (Choose one) void the contract.
72. When an agent chooses to show a prospective purchaser who is very active in his church only properties in the neighborhood of the church, this could be an example of \_\_\_\_\_ which is in violation of fair housing laws.

73. A contingency clause makes the promisor's obligation depend on the occurrence of a particular issue. If it is not to their standards as written in the contract, the promisor can withdraw. True / False
74. A buyer can / cannot (choose one) waive a contingency.
75. When a real estate agent starts filling out a blank addendum to a purchase and sales agreement, the agent could be considered practicing \_\_\_\_\_ and need to opt for a preprinted form if available.

### **Current Legal Issues**

76. The Federal Fair Housing Act applies to residential and commercial transactions. True / False
77. The seven protected classes under the federal law include: Race, Color, Religion, Sex, National Origin, \_\_\_\_\_ and \_\_\_\_\_.
78. Sexual orientation is / is not (choose one) a protected class in Washington State.
79. In Washington State same sex marriage is / is not (choose one) legal.
80. Under Washington State Law on Discrimination, HIV is protected from discrimination under disability. True / False
81. A real estate agent cannot refuse to engage in a real estate transaction with a person because of that person's religion. True / False
82. Asking a buyer if they have children could be a violation of Washington Law on Discrimination. True / False
83. Can a condominium complex legally create rules that say owners cannot have children residing in the units. Yes / No
84. Carbon Monoxide is present if you can smell a rancid odor from a greenish gas. True / False
85. Carbon Monoxide is comes from the burning of \_\_\_\_\_.
86. A CO alarm must be installed in all properties for sale before the buyer \_\_\_\_\_ the property.
87. The tenant has the right to request one free replacement copy of the \_\_\_\_\_ report.

88. An out of state landlord must have a person in the county where the property is located who is authorized to act for the landlord. True / False
89. Title insurance companies are regulated by the Washington State \_\_\_\_\_.
90. Title companies can give promotional items to real estate agents if the item costs no more than \$\_\_\_\_\_.
91. The Distressed Property Act was created to protect homeowners from fraudulent consultants and foreclosure rescue scams. True / False
92. The Foreclosure Fairness act was passed to help distressed homeowners get more time for \_\_\_\_\_ from HUD .
93. A homeowner under the Foreclosure Fairness Act must respond to the lenders Notice of \_\_\_\_\_.
94. A short sale negotiator must have a negotiators license from the Dept of Licensing. True / False
95. The Department of Licensing and Dept of Financial institutions published Guidance for Licensees about how to write up an addendum about carbon monoxide. True / False
96. The “everybody’s doing it” or “ignorance” will always save a real estate agent who participates in a fraudulent transaction. True / False
97. Writing an offer on a short sale and then marketing it and selling it to another buyer for more money prior to the first sale closing is called short sale \_\_\_\_\_ and is illegal.
98. When a lender falsifies documents including fake employment records, the lender is participating in \_\_\_\_\_ and could go to jail.
99. When a homeowner is convinced that by signing papers and paying a fee the mortgage will go away, this is called \_\_\_\_\_ and is a scam found on the internet.
100. A real estate agent can get compensated with commission on a real estate transaction and also get a fee as a short sale negotiator on the same transaction. True / False

I attest that I have read the materials and have answered the questions. The mandatory evaluation must be attached!

**Print Name** \_\_\_\_\_ **Company** \_\_\_\_\_ **Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

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# Mandatory Evaluation

Did you read the Real Estate Law book? YES / NO  
 Did you complete the quiz and attach answer sheet? YES / NO  
 Did you enclose Tuition (\$175 for 30 hrs) YES / NO  
 Did you fill out and sign this form? YES / NO

Paid by Check or Visa/MC # \_\_\_\_\_ exp \_\_/\_\_/\_\_\_\_print clearly

Payment link on website!

Why did you choose to take this course? Topic? Time? Cost? Ease? Other?  
 A "clock hour" is 50 minutes. How long did it take you to complete the course? \_\_\_\_\_

	No			Yes	
Will the material you learned improve your performance?	1	2	3	4	5
Were the course materials easy to follow?	1	2	3	4	5
Were the course materials relevant to your profession?	1	2	3	4	5
Were your objectives met by attending the class?	1	2	3	4	5

What are 3 things that you learned from the course?

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

Washington Real Estate Law		
Print Name CLEARLY	Signature	Company
Address	City Zip Code	Phone
Twitter name @	Email	
License Renewal Date	Date Class taken	Notes

Thanks for taking this class! I really appreciate the agents that take clockhours from my school!

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