

Real Estate Principles

Chapter 1 Quiz

1. Who may refer to himself as a REALTOR®?
 - A. Any real estate licensee
 - B. A broker who is a member of a multiple listing service
 - C. A member of the National Association of REALTORS®
 - D. A licensee who has agreed to be bound by the Code of Ethics

2. When taking a listing, the agent should:
 - A. let the seller know what to expect regarding open houses, signs, and the escrow process
 - B. give instructions on preparing the house for sale
 - C. explain how the keybox works
 - D. All of the above

3. Which of the following is the customary method through which a buyer's agent may be compensated?
 - A. Hourly rate
 - B. Commission split with listing agent
 - C. Flat fee paid by buyer
 - D. Percentage of sales price, paid by buyer

4. If a salesperson is considered to be an independent contractor for purposes of income taxation, which of the following is true?
 - A. The broker will still be liable for the misconduct of the salesperson
 - B. The broker will withhold taxes and social security
 - C. The salesperson must be paid a regular salary
 - D. The broker will give the salesperson detailed instructions for marketing each property

5. A real estate salesperson's status as independent contractor is important in connection with:
 - A. the extent to which the salesperson may work outside of the broker's control and supervision
 - B. the broker's responsibility for the salesperson's actions
 - C. withholding of social security and income taxes
 - D. worker's compensation

6. Which of the following persons would be responsible to her employer for results only?
 - A. Employee
 - B. Independent contractor
 - C. Agent
 - D. Stockholder

7. The final step in a real estate transaction is:
 - A. property inspections
 - B. closing
 - C. appraisal
 - D. walk-through

8. A home sells for \$375,000. The parties are represented by Listing Salesperson and Selling Salesperson. The seller pays a commission of 6% to Listing Broker, who has agreed to a 50-50 commission split with Selling Broker. If both brokers split their shares equally with their salespersons, how much does each salesperson receive?

- A. \$22,500
- B. \$11,250
- C. \$5,625
- D. \$2,812.50

9. A desk fee is:

- A. used to pay for office facilities and expenses
- B. usually charged in lieu of taking part of the agent's commission
- C. collected by a brokerage on a monthly basis
- D. All of the above

10. Laws enacted by a legislative body are known as:

- A. case law
- B. administrative law
- C. constitutional law
- D. statutory law