ARKANSAS REAL ESTATE PRACTICE EXAM (SAMPLE)

STUDY GUIDE

Prepare with structure. Pass with confidence

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

1. What action must be taken if a Broker Price Opinion is issued without the broker's knowledge?

A. Notify the Commission in writing and forward the licensee's license to the Commission

B. Immediately retract the report

C. Pay a fine

D. Announce the mistake in a public forum

2. What is delegated to the Director?

A. Only rulemaking powers

B. Only adjudicative powers

C. All duties, authority and powers, except rulemaking and adjudicative powers

D. None of the above

3. What is required to appear before the Commission?

A. Notify in 15 days before the date in writing

B. Send an email 24 hours before the meeting

C. Make a phone call a day before the meeting

D. Submit an online form

4. Why must a property manager maintain at least one owner's ledger?

A. For tax purposes only.

B. To track the property manager's income.

C. To keep detailed records for each property management agreement concerning monies received and disbursed.

D. Because it is recommended.

5. How often must trust fund account reconciliations be conducted?

A. Weekly

B. Monthly

C. Quarterly

D. Annually

6. How must complaints be submitted?

A. Verbally to the director

B. In writing, signed under oath, and dated

C. Via email only

D. Through public posting

7. Under what condition is an applicant not entitled to a hearing according to Hearing Denial ACT 690 of 1993 Section 11 (a)(1)(B)?

A. If they cannot pay the fee

B. If they can't prove they are licensed in another state

C. If they failed the exam

D. If they have a criminal record

8. Who can perform property management activities according to A. C. A. § 17-42-103(9)?

A. Tenant.

B. Occupant.

C. Licensed principal broker or designated executive broker.

D. Property owner.

9. What can be requested after newly discovered evidence is presented to the director and the decision is overruled?

A. An immediate order

B. A hearing or further investigation

C. Dismissal of the case

D. Financial compensation

10. What is NOT the responsibility of a principal broker regarding trust funds?

A. Funds delivered to an escrow agent selected by the parties

B. Accountability for all trust funds received

C. Management of the trust account

D. Ensuring funds are deposited in three days

Answers

1. A
2. C
3. A
4. C
5. B
6. B
7. B
8. C
9. B
10. A

Explanations

1. What action must be taken if a Broker Price Opinion is issued without the broker's knowledge?

A. Notify the Commission in writing and forward the licensee's license to the Commission

B. Immediately retract the report

C. Pay a fine

D. Announce the mistake in a public forum

A Broker Price Opinion is a report prepared by a licensed real estate agent or broker to determine a property's market value. If this report is issued without the broker's knowledge, it is considered a serious violation of the real estate license law. Therefore, the most appropriate action would be to notify the Commission in writing and forward the licensee's license to the Commission. The other options, such as retracting the report or publicly announcing the mistake, do not address the seriousness of the violation and may not be enough to comply with the real estate license law. Additionally, paying a fine would only be required if the violation has already been reported and resolved.

2. What is delegated to the Director?

A. Only rulemaking powers

B. Only adjudicative powers

C. All duties, authority and powers, except rulemaking and adjudicative powers

D. None of the above

This answer is correct because it accurately states that the Director is responsible for all duties, authority, and powers except for rulemaking and adjudicative powers. Option A is incorrect because the Director also has adjudicative powers, not just rulemaking powers. Option B is incorrect because the Director also has rulemaking powers, not just adjudicative powers. Option D is incorrect because the Director does have responsibilities and authority, as outlined in option C.

3. What is required to appear before the Commission?

A. Notify in 15 days before the date in writing

B. Send an email 24 hours before the meeting

C. Make a phone call a day before the meeting

D. Submit an online form

Providing written notification in advance is necessary to appear before the Commission. This ensures that the Commission is properly prepared and can effectively address and respond to any concerns or issues presented by the individual or group appearing before them. Options B, C, and D do not provide the same level of formal notification and may not give the Commission enough time to adequately prepare. For example, sending an email 24 hours before the meeting may not give the Commission enough time to review the information or make necessary arrangements. Additionally, submitting an online form may not provide the same level of formality and may not guarantee that the Commission will receive the information in a timely manner. Ultimately, written notification in advance is the most efficient and respectful way to appear before the Commission.

4. Why must a property manager maintain at least one owner's ledger?

A. For tax purposes only.

B. To track the property manager's income.

C. To keep detailed records for each property management agreement concerning monies received and disbursed.

D. Because it is recommended.

A property manager must maintain at least one owner's ledger in order to keep detailed records for each property management agreement concerning monies received and disbursed. This helps to ensure transparency and accountability in managing the finances of the property and ensures that the owner's financial interests are being properly managed. Option A is incorrect because maintaining an owner's ledger serves more purposes than just for tax purposes. Option B is incorrect because tracking the property manager's income can be done through other means and is not the primary reason for maintaining an owner's ledger. Option D is also incorrect because it is not just recommended, but it is necessary for proper financial management.

5. How often must trust fund account reconciliations be conducted?

A. Weekly

B. Monthly

C. Quarterly

D. Annually

Trust fund account reconciliations must be conducted monthly in order to ensure accurate and up-to-date financial information. Conducting them on a more frequent basis, such as weekly, may be unnecessary and time-consuming. On the other hand, conducting them less frequently, such as quarterly or annually, may lead to errors and discrepancies going unnoticed for longer periods of time. Therefore, monthly reconciliations strike a balance between keeping financial data current and being efficient with resources.

6. How must complaints be submitted?

A. Verbally to the director

B. In writing, signed under oath, and dated

C. Via email only

D. Through public posting

Complaints are usually expected to be submitted in writing, signed under oath, and dated. This ensures that the complaint is taken seriously and has legal weight. Option A, submitting complaints verbally to the director, may not hold the same level of accountability as a written and signed complaint. Option C, via email only, may not be the preferred method as some complaints may require additional documentation or evidence that may not be able to be easily shared through email. Option D, through public posting, may not be appropriate for all complaints as some may need to be handled in a more confidential manner. Therefore, option B is the best choice for submitting complaints.

7. Under what condition is an applicant not entitled to a hearing according to Hearing Denial ACT 690 of 1993 Section 11 (a)(1)(B)?

A. If they cannot pay the fee

B. If they can't prove they are licensed in another state

C. If they failed the exam

D. If they have a criminal record

An applicant would not be entitled to a hearing under this section if they cannot prove that they are licensed in another state. This means that if they are unable to provide proper documentation or evidence of their license from another state, they would not have the right to a hearing. The other options, such as not being able to pay the fee, failing the exam, or having a criminal record, are not relevant to this specific condition and would not affect an applicant's entitlement to a hearing. It is important to note that an applicant may still have the right to a hearing under other conditions outlined in this section.

8. Who can perform property management activities according to A. C. A. § 17-42-103(9)?

A. Tenant.

B. Occupant.

C. Licensed principal broker or designated executive broker.

D. Property owner.

According to A. C. A. § 17-42-103(9), a licensed principal broker or designated executive broker is the only individual who is legally authorized to perform property management activities. A tenant, occupant, or property owner may not have the necessary qualifications or legal authority to oversee such tasks. This is why these options are incorrect. It is important to have a licensed and knowledgeable professional in charge of property management in order to ensure proper maintenance and handling of landlord-tenant relationships.

9. What can be requested after newly discovered evidence is presented to the director and the decision is overruled?

A. An immediate order

B. A hearing or further investigation

C. Dismissal of the case

D. Financial compensation

After new evidence is presented and a decision is overruled, the most appropriate next step would be to request a hearing or further investigation. This would allow for a thorough examination of the new evidence and ensure due process is followed. The other options are incorrect because - An immediate order would not be necessary as a decision has already been made and overruled. - Dismissal of the case would not be appropriate as there is new evidence to be considered. - Financial compensation would not be relevant in this situation as the focus would be on the new evidence and reconsidering the decision.

10. What is NOT the responsibility of a principal broker regarding trust funds?

A. Funds delivered to an escrow agent selected by the parties

B. Accountability for all trust funds received

C. Management of the trust account

D. Ensuring funds are deposited in three days

A principal broker is responsible for the financial management and accountability of all trust funds received, as stated in option B. This includes managing the trust account, ensuring funds are deposited in a timely manner (option D), and being accountable for all funds received (option B). Option A is incorrect because the principal broker is not responsible for choosing the escrow agent for the funds to be delivered to. That responsibility falls on the parties involved in the transaction.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://arkansasrealestate.examzify.com

We wish you the very best on your exam journey. You've got this!