

CALIFORNIA REAL ESTATE BROKER PRACTICE EXAM (SAMPLE)

STUDY GUIDE



**SAMPLE STUDY GUIDE
WITH LIMITED QUESTIONS**

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THE FULL VERSION STUDY GUIDE**

<https://californiarealestatebroker.examzify.com>



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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

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- 1. Who is responsible for the actions of a licensed salesperson in a real estate transaction?**
 - A. The buyer
 - B. The sales agent
 - C. The broker
 - D. Both broker and seller

- 2. When can an offer to purchase be legally withdrawn?**
 - A. At any time before acceptance
 - B. Only after acceptance
 - C. Only during a specified time period
 - D. Only with the buyer's consent

- 3. A tenant who remains in a rented property after the lease has expired without landlord consent is said to have what type of estate?**
 - A. Estate at will
 - B. Estate in reversion
 - C. Estate at sufferance
 - D. Estate for years

- 4. Which statement is true regarding tenancy in partnership?**
 - A. A partner's right is independent of community property rules
 - B. A partner's right in the real property follows common law
 - C. A partner's right in the real property would be subject to community property rules
 - D. A partner's right is limited to personal property only

- 5. Which approach to valuation estimates land and building value separately?**
 - A. Sales comparison approach
 - B. Income approach
 - C. Cost approach
 - D. Market value approach

- 6. Which appraisal method is most likely applied to value a church property?**
- A. Sales comparison approach.
 - B. Cost approach.
 - C. Income approach.
 - D. Market value analysis.
- 7. Title insurance premiums are typically paid how?**
- A. Based on state mandates
 - B. According to local custom and negotiation
 - C. By the seller only
 - D. With a flat fee determined by the insurer
- 8. Which of the following represents the rights of a tenant in a lease agreement?**
- A. The right to alter property without permission
 - B. The right to possess and use the property
 - C. The right to sublet without restrictions
 - D. The right to buy the property anytime
- 9. What does a warranty of authority do?**
- A. Informs clients of agent capabilities
 - B. Assigns legal responsibility for agent actions
 - C. Provides insurance against fraudulent acts
 - D. Guarantees contract execution
- 10. If Owner A needs access to a county road, which action must take place for him to acquire an easement?**
- A. Owner A must negotiate with Buyer B
 - B. Owner A must reserve an easement appurtenant
 - C. Owner A must file for a land use permit
 - D. Owner A must create a new property deed

Answers

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

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Explanations

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1. Who is responsible for the actions of a licensed salesperson in a real estate transaction?

- A. The buyer
- B. The sales agent
- C. The broker**
- D. Both broker and seller

In a real estate transaction, the broker is responsible for the actions of their licensed salespersons. This responsibility is rooted in the principle of agency in real estate law, which establishes that the broker acts as the supervising authority who oversees the activities of their agents or salespersons. Brokers are required to ensure their agents comply with all applicable laws, ethical standards, and industry regulations. This implies that if a licensed salesperson engages in actions that lead to legal or financial repercussions—such as misrepresentation or failing to disclose crucial information—the broker holds accountability for those actions. This relationship emphasizes the importance of proper training, guidance, and supervision by the broker to prevent any unethical practices within their team. The choice of the buyer is incorrect because the responsibility for the salesperson's actions does not fall to the client or customer involved in the transaction; their role is in representations and negotiations, not in oversight of the salesperson. A sales agent, on the other hand, is directly accountable for their own actions but lacks the broader responsibility for supervision. While the broker and seller could jointly be involved in the transaction, ultimately, it is the broker who is tasked with overseeing the salesperson's conduct, making the broker solely responsible for any missteps made by their agents.

2. When can an offer to purchase be legally withdrawn?

- A. At any time before acceptance**
- B. Only after acceptance
- C. Only during a specified time period
- D. Only with the buyer's consent

An offer to purchase can be legally withdrawn at any time before acceptance because an offer is essentially an indication of a willingness to enter into a contract. Until the seller formally accepts the offer, the buyer retains the right to withdraw it. This legal principle allows buyers the flexibility to reconsider their decision or respond to new information. The nature of an offer in contract law is that it is not binding on the offeror until it is accepted by the offeree. Consequently, once the offer is accepted, it becomes a binding agreement, and withdrawing it would require mutual consent, often under specific conditions. This characteristic of offers underlines the importance of timing in the negotiation process. Understanding this concept is crucial for both buyers and sellers in real estate transactions.

3. A tenant who remains in a rented property after the lease has expired without landlord consent is said to have what type of estate?

- A. Estate at will
- B. Estate in reversion
- C. Estate at sufferance**
- D. Estate for years

A tenant who remains in a rented property after the lease has expired without the landlord's consent is said to have an estate at sufferance. This situation arises when a tenant, despite the lease being terminated, continues to occupy the property without the landlord's permission. In this scenario, the tenant is not legally allowed to remain in the property, but they do so anyway, creating a precarious legal position. An estate at sufferance does not grant the tenant the rights of a leaseholder; instead, it places the tenant in a position where they are essentially holding over their occupation unlawfully. It is important to differentiate this from an estate at will, which allows a tenant to occupy the property with the landlord's consent but terminable at any time. An estate in reversion is related to the landlord's interest in the property after a leasehold estate ends. Lastly, an estate for years refers to a lease agreement with a fixed term, which does not pertain to the situation described where the lease has already expired.

4. Which statement is true regarding tenancy in partnership?

- A. A partner's right is independent of community property rules
- B. A partner's right in the real property follows common law
- C. A partner's right in the real property would be subject to community property rules**
- D. A partner's right is limited to personal property only

The statement regarding tenancy in partnership that is correct is that a partner's right in the real property would be subject to community property rules. In California, the rules surrounding community property can significantly impact the ownership interest of partners in real property when they are married. Generally, property acquired during marriage is considered community property and is owned equally by both spouses unless there is a specific agreement stating otherwise. This means that even within a partnership, a partner's interest in the real property can be influenced by their marital status and the community property laws that govern how assets are handled between spouses. Therefore, a partner's rights in real property are not solely determined by partnership agreements or personal ownership rights but must also factor in community property considerations. Understanding the implications of community property laws is especially important for partners who are married, as it can affect how property is managed, sold, or transferred, and might require the consent of the spouse to undertake certain actions regarding the property. The other statements do not accurately reflect the relationship between partnerships and real property ownership in the context of California law.

5. Which approach to valuation estimates land and building value separately?

- A. Sales comparison approach
- B. Income approach
- C. Cost approach**
- D. Market value approach

The cost approach to valuation is distinct in that it estimates the value of both the land and the building separately. This method entails calculating the cost to replace or reproduce the building and then adding the value of the land on which it is located. By isolating these components, the cost approach provides a clear understanding of how much each contributes to the overall value of the property. In this approach, the value of the land is determined based on comparable sales of similar parcels, which means it is assessed at its highest and best use without the improvement. Subsequently, the cost to construct the building is calculated, often taking into account depreciation to arrive at the current value of the structure. Ultimately, the two values are combined to provide a total value estimate for the entire property. Other valuation methods, such as the sales comparison approach, focus primarily on evaluating the property based on recent sales of similar properties, while the income approach estimates value based on the income a property can generate, considering factors such as operating expenses and capitalization rates. The market value approach is not a distinct methodology; it is an overall term that could refer to various methods used to establish the current market value.

6. Which appraisal method is most likely applied to value a church property?

- A. Sales comparison approach.
- B. Cost approach.**
- C. Income approach.
- D. Market value analysis.

The cost approach is particularly relevant for valuing specialized properties such as churches. This method estimates value based on the cost to replace or reproduce the property, minus depreciation. Since church buildings often do not have a direct comparable sales history due to their unique nature, the cost approach provides a viable means to assess value by considering the costs involved in construction and land acquisition. Churches typically have unique characteristics that make it difficult to find comparable properties with similar features or that have sold recently. Therefore, the cost approach focuses on the tangible aspects of the property, allowing appraisers to factor in what it would cost to build a similar structure from the ground up, which is effective for properties without a robust market transaction history. While other appraisal methods, such as the sales comparison approach or the income approach, could be relevant in different contexts, they may not be suitable for every property type, especially those that do not generate income or have limited sale comparables. The cost approach effectively addresses these challenges in valuing properties like churches.

7. Title insurance premiums are typically paid how?

- A. Based on state mandates
- B. According to local custom and negotiation**
- C. By the seller only
- D. With a flat fee determined by the insurer

Title insurance premiums are typically paid according to local custom and negotiation because the practices surrounding payment can vary significantly from one area to another. In many regions, it is customary for sellers to cover the cost, but in others, buyers may take on this expense. Additionally, the specific arrangements can also be influenced by negotiations between the parties involved in the transaction. Understanding local customs is essential since they are often influenced by market conditions, regional practices, and the local real estate culture. This flexibility allows real estate transactions to be tailored to the preferences and agreements of the parties, reflecting the diverse nature of real estate practices across different jurisdictions. State mandates, while they may govern aspects of real estate transactions, do not generally dictate how title insurance premiums are handled. A flat fee model, while it could be a structure some insurers may offer, does not account for the variability and negotiation aspect intrinsic to real estate transactions. Similarly, limiting the payment obligation strictly to the seller overlooks the negotiation and local practices that can shift this responsibility.

8. Which of the following represents the rights of a tenant in a lease agreement?

- A. The right to alter property without permission
- B. The right to possess and use the property**
- C. The right to sublet without restrictions
- D. The right to buy the property anytime

The rights of a tenant in a lease agreement are primarily centered around their ability to possess and use the rented property. This fundamental right is established through the lease contract, which grants tenants the right to occupy and utilize the space for the duration of the lease term. The tenant's possession is typically exclusive, meaning that they can live in, use, or conduct activities within that space, as long as they comply with the provisions outlined in the lease. This possession is accompanied by various rights, such as the right to privacy and the right to quiet enjoyment, which ensures that the landlord cannot interfere with the tenant's use of the property. However, any alterations to the property, the ability to sublet, or rights regarding purchasing the property would typically require the tenant to adhere to specific conditions laid out in the lease agreement. Therefore, the most accurate representation of a tenant's rights in this context is the right to possess and use the property, as it encapsulates the core purpose of a lease agreement.

9. What does a warranty of authority do?

- A. Informs clients of agent capabilities
- B. Assigns legal responsibility for agent actions**
- C. Provides insurance against fraudulent acts
- D. Guarantees contract execution

A warranty of authority is crucial in real estate transactions as it establishes that an agent has the legal authority to act on behalf of a principal or client. By assigning legal responsibility for the agent's actions, it assures third parties that the agent has the requisite authority to enter into agreements and conduct business in the principal's name. This warranty aids in limiting liability, as it confirms that the agent is acting within their given powers. When agents present themselves as having authority, they effectively bind the principal to the transactions they execute. Should an agent act beyond their authorized scope, they could potentially expose themselves to personal liability, but the warranty of authority protects the interests of those relying on the agent's representation. This underscores the importance of ensuring that any representations or actions taken by an agent reflect their actual limits of authority. In summary, it is the legal framework that provides assurance to clients and third parties that the agent is duly authorized to perform actions that will bind the principal, thereby alleviating concerns over unauthorized actions.

10. If Owner A needs access to a county road, which action must take place for him to acquire an easement?

- A. Owner A must negotiate with Buyer B
- B. Owner A must reserve an easement appurtenant**
- C. Owner A must file for a land use permit
- D. Owner A must create a new property deed

To acquire an easement for access to a county road, reserving an easement appurtenant is the appropriate action for Owner A. An easement appurtenant is a type of easement that benefits a specific piece of land, allowing the owner of that land the right to use another person's land for a particular purpose, such as accessing a road. By reserving an easement appurtenant, Owner A ensures that the right to access the county road is linked to their property, remaining in effect even if the property changes hands in the future. This legal arrangement is essential for maintaining uninterrupted access and can provide clarity regarding the rights of all parties involved. The other actions listed, such as negotiating with Buyer B, filing for a land use permit, or creating a new property deed, do not directly establish the necessary legal right for access to the road. Negotiation may lead to an agreement, but it does not guarantee a legally enforceable easement. A land use permit is generally related to zoning and land development rather than the establishment of access rights. Creating a new property deed would not automatically involve the easement unless it specifically states that one is being granted. Thus, the process of reserving an easement appurtenant is the

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:

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

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