

Certified Relocation Professional (CRP) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

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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. The use of tiered relocation policies is influenced mainly by the need to?**
 - A. Satisfy tax requirements**
 - B. Control costs**
 - C. Expand service provider options**
 - D. Ease policy administration**

- 2. What is the recommendation of the EPA regarding Radon testing?**
 - A. Only homes in certain geographic locations be tested**
 - B. Only homes built after 1980 be tested**
 - C. Only homes with basements be tested**
 - D. Every home in the U.S. be tested**

- 3. Which of the following best describes compliance for relocating employees concerning tax deductions?**
 - A. All employees can claim the same deduction regardless of circumstance**
 - B. Transferees must always receive IRS approval for tax deductions**
 - C. Compliance with IRS guidelines varies based on specific employee situations**
 - D. Employers manage all tax deductions on behalf of employees**

- 4. What constitutes a breach of fiduciary responsibility between a buyer's broker and the buyer during negotiations?**
 - A. The broker tells the seller of the buyer's plans to subdivide the property**
 - B. The broker discloses to the buyer the home's previous listing price**
 - C. The broker suggests the buyer make the first offer**
 - D. The broker does not inform the seller of the buyer's down payment**

- 5. How does the law after 1994 treat moving expenses compared to before 1986?**
- A. It is stricter in defining eligible expenses**
 - B. It is more lenient with deductions**
 - C. It completely prohibits all deductions**
 - D. It offers fewer benefits for deductions**
- 6. In a matched pairs analysis, how much does a basement contribute to the value compared to a double garage and single garage?**
- A. \$7,500**
 - B. \$10,000**
 - C. \$5,000**
 - D. \$15,000**
- 7. What is the current trend regarding the requirement for transferees to complete a homeowners disclosure form?**
- A. Decline because of the court's considering such documents invalid**
 - B. Decline because of the transferees resistance**
 - C. Rise because of the trend toward greater seller disclosure responsibility**
 - D. Rise because of the real estate federal procedures act requirement**
- 8. In the context of relocation, what condition applies if an employee is transferred again?**
- A. The new position nullifies past moving claims**
 - B. The 39 week test is waived**
 - C. The employee can freely claim additional deductions**
 - D. The employee must adhere to original contracts**
- 9. What is one common method to assess employee satisfaction with a relocation program?**
- A. Regular performance reviews**
 - B. Feedback surveys post-relocation**
 - C. Interviews before relocation**
 - D. Team meetings to discuss relocations**

- 10. When considering additional value for an assumable loan on the ERC appraisal report, when should this be recognized?**
- A. When the client specifically requests additional value**
 - B. If the loan interest rate is below market**
 - C. If the additional value adds over \$5,000**
 - D. When the loan is obtained through FHA or VA**

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Answers

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

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Explanations

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1. The use of tiered relocation policies is influenced mainly by the need to?

- A. Satisfy tax requirements**
- B. Control costs**
- C. Expand service provider options**
- D. Ease policy administration**

The use of tiered relocation policies is primarily influenced by the need to control costs. Organizations implement tiered policies to provide different levels of relocation support based on various employee categories, such as job levels, seniority, or specific circumstances. This approach allows companies to allocate resources efficiently, ensuring that higher-level positions receive more comprehensive relocation benefits, while entry-level or lower-cost relocations receive more basic support. By establishing a clear structure, tiered policies help companies manage their budget more effectively, as they can tailor the level of assistance to match the expected return on investment for each employee category. This financial strategy enables HR departments to offer competitive relocation packages while keeping expenditures within manageable limits. In contrast, other options like satisfying tax requirements or expanding service provider options, while relevant in addressing specific aspects of relocation, do not fundamentally drive the need for tiered structures as strongly as cost control does.

2. What is the recommendation of the EPA regarding Radon testing?

- A. Only homes in certain geographic locations be tested**
- B. Only homes built after 1980 be tested**
- C. Only homes with basements be tested**
- D. Every home in the U.S. be tested**

The recommendation from the Environmental Protection Agency (EPA) is that every home in the U.S. should be tested for radon. This guidance underscores the potential health risks associated with radon exposure, which is a naturally occurring radioactive gas that can accumulate in homes and is linked to lung cancer. The EPA's stance emphasizes that radon can be present in any home, regardless of location, construction date, or basement presence, making widespread testing vital for identifying and mitigating these risks. Testing all homes allows homeowners and renters to be informed about their indoor air quality and take necessary actions if elevated radon levels are found. Since radon levels can vary significantly from one home to another, relying on location, age, or structural features as criteria for testing could leave many at risk. Thus, the recommendation encourages proactive measures toward health and safety by promoting testing in every home.

- 3. Which of the following best describes compliance for relocating employees concerning tax deductions?**
- A. All employees can claim the same deduction regardless of circumstance**
 - B. Transferees must always receive IRS approval for tax deductions**
 - C. Compliance with IRS guidelines varies based on specific employee situations**
 - D. Employers manage all tax deductions on behalf of employees**

The correct choice emphasizes that compliance with IRS guidelines is not a one-size-fits-all scenario; it actually varies depending on the unique circumstances of each employee's situation when they are relocating. Tax deductions related to employee relocations can be influenced by several factors, such as the distance of the move, the type of expenses incurred, and whether an employee meets specific criteria set by the IRS. For instance, some employees may qualify for certain deductions based on their job-related relocation, while others may not meet the eligibility criteria due to various personal factors such as their tax filing status or the nature of their work arrangement. This nuanced understanding ensures that the employees are compliant with the tax laws while maximizing their deductions according to their specific conditions. The other options present simplified or incorrect interpretations of tax compliance. The notion that all employees can claim the same deduction ignores the complexities of individual tax situations. The idea that transferees must always receive IRS approval is misleading because, while they must comply with IRS policies, many deductions can be claimed directly based on the law without needing prior approval. Lastly, suggesting that employers manage all tax deductions on behalf of employees might give the impression that employees have no responsibility in understanding their own tax obligations or navigating IRS guidelines, which is not accurate.

- 4. What constitutes a breach of fiduciary responsibility between a buyer's broker and the buyer during negotiations?**
- A. The broker tells the seller of the buyer's plans to subdivide the property**
 - B. The broker discloses to the buyer the home's previous listing price**
 - C. The broker suggests the buyer make the first offer**
 - D. The broker does not inform the seller of the buyer's down payment**

A breach of fiduciary responsibility occurs when a broker fails to act in the best interests of their client, which is the buyer in this scenario. In this case, when the broker tells the seller about the buyer's plans to subdivide the property, they compromise the confidentiality and strategic advantage of their client. Such disclosure could potentially harm the buyer's negotiating position, as it reveals intentions that could lead the seller to adjust their strategy or pricing in response to that information. This breach is significant because fiduciary duty mandates that the broker must keep the buyer's best interests at the forefront of all negotiations, maintaining confidentiality about sensitive information. The other options, such as disclosing the home's previous listing price or suggesting making the first offer, do not constitute breaches of fiduciary duty as they do not compromise the buyer's position or confidentiality in negotiations to the same extent.

5. How does the law after 1994 treat moving expenses compared to before 1986?

- A. It is stricter in defining eligible expenses**
- B. It is more lenient with deductions**
- C. It completely prohibits all deductions**
- D. It offers fewer benefits for deductions**

The law after 1994 treats moving expenses in a way that is more lenient with deductions compared to the rules in place before 1986. After 1994, self-employed individuals and certain qualified moving expenses could still receive tax deductions, which is a reflection of a more accommodating stance in allowing taxpayers to claim some moving expenses. This lenience arises from the changes made to tax codes that allow for deductions under specific conditions, contributing to the overall support for those relocating for job-related reasons. Before 1986, moving expenses were more broadly deductible under various circumstances, but the laws shifted significantly, tightening the guidelines for deductibility. The amendments made after 1994 aimed to encourage mobility in the workforce by loosening some of those stringent restrictions, thereby making it easier for specific taxpayers to claim deductions for their moving expenses related to employment changes.

6. In a matched pairs analysis, how much does a basement contribute to the value compared to a double garage and single garage?

- A. \$7,500**
- B. \$10,000**
- C. \$5,000**
- D. \$15,000**

In matched pairs analysis, the objective is to evaluate the impact of specific property features on real estate value by comparing similar properties with differing characteristics. The analysis allows for the isolation of the value contributed by each feature, such as a basement versus garages. The contribution of a basement, when analyzed in relation to the value differences between properties that have double and single garages, reveals that the value attributed to the basement is \$5,000. This figure is derived from observing comparable properties and determining how much more buyers are willing to pay for a home with a basement compared to one that has either type of garage. In this context, the basement serves as a key differentiator in property appeal and functionality, often adding a significant amount of usable space, which many buyers value highly. Therefore, the appropriately assessed contribution of a basement's added value in this matched pairs scenario is accurately represented as \$5,000. Understanding these value contributions is crucial for real estate professionals to determine pricing strategies and appraisal values effectively.

7. What is the current trend regarding the requirement for transferees to complete a homeowners disclosure form?
- A. Decline because of the court's considering such documents invalid
 - B. Decline because of the transferees resistance
 - C. Rise because of the trend toward greater seller disclosure responsibility**
 - D. Rise because of the real estate federal procedures act requirement

The correct choice highlights the growing expectation for greater accountability and transparency in real estate transactions. This trend reflects an increasing awareness of the importance of disclosing potential issues related to a property, such as defects or legal concerns, before a sale is finalized. As sellers are now more frequently held to higher standards regarding disclosure, transferees are often required to complete homeowners' disclosure forms to ensure they provide accurate and comprehensive information regarding the property. This rise in disclosure requirements is influenced by legislative changes and an overall shift in the real estate market towards protecting buyers by mandating that sellers disclose relevant information. By ensuring that transferees fill out these forms, both parties benefit; buyers can make informed decisions about their property purchases, while sellers fulfill their legal obligations and potentially minimize their liability. Understanding this trend is vital for professionals in the relocation industry, as it underscores the importance of thorough documentation and clear communication between buyers and sellers throughout the real estate transaction process.

8. In the context of relocation, what condition applies if an employee is transferred again?
- A. The new position nullifies past moving claims
 - B. The 39 week test is waived**
 - C. The employee can freely claim additional deductions
 - D. The employee must adhere to original contracts

The correct choice indicates that the 39-week test is waived when an employee is transferred again. This means that if an employee has already moved for a job and meets the criteria for tax deductions related to their relocation, they may not have to meet the 39-week requirement again with a subsequent transfer. The 39-week test is a condition defined by the IRS that stipulates an employee must work full-time for at least 39 weeks out of the first 12 months after relocating in order to claim certain moving-related expenses as tax deductions. When an employee is transferred again, the implications of this previous move affect their ability to claim deductions on the new transfer, and they benefit from the waiver based on previous compliance with the moving criteria. This is crucial for understanding tax obligations and benefits associated with multiple relocations. The other options do not capture the financial aspect that is tied to repeated relocations. Nullifying past claims or adhering to original contracts doesn't directly relate to the tax benefits usually assessed during the relocation process, and additional deductions aren't freely available without clear guidelines from the IRS, such as fulfilling specific criteria set forth in the tax code. Therefore, understanding the 39-week test waiver provides insight into how repeated relocations can simplify a transferred employee's

9. What is one common method to assess employee satisfaction with a relocation program?

- A. Regular performance reviews**
- B. Feedback surveys post-relocation**
- C. Interviews before relocation**
- D. Team meetings to discuss relocations**

Feedback surveys post-relocation are a common method for assessing employee satisfaction with a relocation program because they provide employees with an opportunity to voice their opinions and experiences after they have undergone the relocation process. These surveys can gather valuable quantitative and qualitative data regarding various aspects of the program, such as the effectiveness of communication, support provided during the move, and overall satisfaction with the new location. This approach allows organizations to identify both strengths and weaknesses in their relocation offerings, making it possible to make informed adjustments that enhance employee experiences in the future. Additionally, conducting surveys after relocation gives employees the chance to reflect on their entire experience as opposed to expectations or opinions based on pre-relocation discussions, which might not accurately capture their true feelings about the program once they have faced the challenges of moving and settling in a new area. Other methods mentioned, like regular performance reviews or team meetings, do not specifically target employee satisfaction with the relocation process and can be more generalized in terms of employee evaluation and team dynamics. Interviews before relocation, while useful in understanding initial employee concerns or needs, do not capture the full scope of satisfaction after the relocation has taken place.

10. When considering additional value for an assumable loan on the ERC appraisal report, when should this be recognized?

- A. When the client specifically requests additional value**
- B. If the loan interest rate is below market**
- C. If the additional value adds over \$5,000**
- D. When the loan is obtained through FHA or VA**

The correct response pertains to recognizing additional value for an assumable loan only when there is a specific client request for it. In situations where a client has explicitly requested that the appraisal report reflect additional value associated with such loans, it indicates that they believe this aspect is pertinent to the overall valuation for their real estate. Failing to consider a client request could lead to dissatisfaction with the appraisal outcome or misalignment with the client's expectations. This approach aligns with the principle of ensuring that the appraisal meets the client's needs and covers all relevant aspects that may affect the transaction's value. The other options focus on various loan characteristics and thresholds but do not emphasize the importance of client instructions in the appraisal process. For instance, recognizing the additional value solely based on a loan interest rate being below market does not consider other factors that may influence the client's decision. Similarly, thresholds like '\$5,000' or the loan type through FHA or VA may be relevant in specific contexts, but without a client directive, they do not suffice to warrant a change in recognition of value. Thus, prioritizing the client's request serves as the most sound basis for determining the recognition of additional value in an appraisal report.

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://certifiedrelocationprofessional.examzify.com>

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

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