

Delaware Real Estate 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

- 1. What is required of home inspectors recommended by Delaware licensees?**
 - A. They must have a minimum of three years of experience.**
 - B. They must be insured against lawsuits.**
 - C. They must be currently licensed in Delaware.**
 - D. They must have personal references from past clients.**
- 2. Which of the following is NOT a requirement for home sellers in Delaware?**
 - A. Providing a seller's disclosure**
 - B. Signing a lease**
 - C. Complying with local zoning laws**
 - D. Preparing an eviction notice if needed**
- 3. What does a tenant in a leasehold estate typically have the right to do with the property?**
 - A. Sell the property**
 - B. Make improvements**
 - C. Sublet without permission**
 - D. Live on the property for life**
- 4. What is a foreclosure?**
 - A. A process where a property is sold at auction**
 - B. A situation where a borrower has paid off their mortgage**
 - C. The legal process by which a lender takes control of a property due to non-payment**
 - D. An agreement to refinance a loan**
- 5. What is a “ground lease” often associated with in real estate?**
 - A. A lease for residential properties**
 - B. A long-term lease for land without ownership of structures**
 - C. A short-term lease for commercial properties**
 - D. A lease that includes options for purchase**

- 6. What is the term for when lien holders allow another lien holder's claim to have priority over their own?**
- A. Equitable lien**
 - B. Lis pendens**
 - C. Subordination agreement**
 - D. Voluntary lien**
- 7. Which of the following purchase agreements must include an amortization schedule by state law?**
- A. A property requiring a jumbo loan**
 - B. Residential property purchased at a foreclosure sale**
 - C. The sale of a condominium unit where financing is used**
 - D. The sale of a single-family residence financed by the seller**
- 8. Which is a true statement regarding general exemptions in Delaware?**
- A. Farmland is typically exempt statewide.**
 - B. Charitable and religious property are county-specific exemptions.**
 - C. Counties may offer exemptions such as for cemeteries.**
 - D. Governmental properties are exempt statewide.**
- 9. Which party holds the leasehold estate in a real estate transaction?**
- A. The landlord**
 - B. The tenant**
 - C. The property owner**
 - D. The real estate agent**
- 10. What is a listing agent responsible for providing to prospective buyers?**
- A. Inspect the seller's property for defects**
 - B. Complete the seller's property disclosure form**
 - C. Inform buyers about professional inspections**
 - D. Give the seller's completed property condition disclosure form to all prospective buyers**

Answers

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

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Explanations

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1. What is required of home inspectors recommended by Delaware licensees?
- A. They must have a minimum of three years of experience.
 - B. They must be insured against lawsuits.
 - C. They must be currently licensed in Delaware.**
 - D. They must have personal references from past clients.

The requirement for home inspectors recommended by Delaware licensees to be currently licensed in Delaware ensures that these professionals have met the state's education, testing, and continuing education standards. Being licensed demonstrates that an inspector is knowledgeable about the specific codes, regulations, and practices applicable in Delaware, which is crucial for ensuring the safety and satisfaction of homeowners and buyers. Licensing serves as a quality assurance mechanism, indicating a level of professionalism and adherence to ethical standards in the real estate industry. By recommending only licensed inspectors, Delaware licensees help to protect their clients by ensuring that the individuals performing home inspections are qualified to identify any potential issues with a property. The other choices highlight practical aspects related to home inspectors, such as experience, insurance, and references, but they do not specifically address the legal and regulatory requirement of being licensed, which is essential for operating within Delaware's real estate market.

2. Which of the following is NOT a requirement for home sellers in Delaware?
- A. Providing a seller's disclosure
 - B. Signing a lease**
 - C. Complying with local zoning laws
 - D. Preparing an eviction notice if needed

In Delaware, home sellers are generally required to provide a seller's disclosure, which informs potential buyers about the property's condition and any known issues that could affect the sale. Compliance with local zoning laws is also a fundamental requirement, as these laws dictate how a property can be used and any restrictions that may be in place. Preparing an eviction notice may be relevant in certain circumstances, such as when a property is tenant-occupied and the seller needs to inform the tenant of their required actions upon the sale. However, signing a lease is not a requirement for home sellers in Delaware. A lease agreement typically pertains to the rental of a residential or commercial property, not to the sale of a home. Sellers may choose to lease the property to tenants, but they are not mandated to do so as part of the home-selling process. Thus, the correct answer is that signing a lease is not a requirement for home sellers in Delaware.

3. What does a tenant in a leasehold estate typically have the right to do with the property?

- A. Sell the property**
- B. Make improvements**
- C. Sublet without permission**
- D. Live on the property for life**

A tenant in a leasehold estate typically has the right to make improvements to the property. This is a common feature of lease agreements, allowing tenants the flexibility to modify or enhance the space they are renting, as long as those improvements comply with the lease terms. Often, landlords encourage tenants to make improvements that can enhance the property's value or appeal, which can benefit both parties. In a leasehold estate, the tenant does not own the property and therefore does not have the right to sell it. Selling the property is a right reserved for the owner, not the leaseholder. Similarly, the tenant generally cannot sublet the property without first obtaining the landlord's permission; doing so usually requires written consent as part of the lease agreement. Lastly, living on the property for life does not apply in a leasehold context, as lease terms are typically set for a specific period, after which the tenant must vacate or renew the lease.

4. What is a foreclosure?

- A. A process where a property is sold at auction**
- B. A situation where a borrower has paid off their mortgage**
- C. The legal process by which a lender takes control of a property due to non-payment**
- D. An agreement to refinance a loan**

A foreclosure is accurately defined as the legal process by which a lender takes control of a property due to the borrower's non-payment of the mortgage. In this scenario, when a borrower defaults on their mortgage obligations, the lender can initiate foreclosure proceedings to recover the remaining balance of the loan. This process typically ends with the property being sold at auction to satisfy the debt. Understanding this context is essential. Foreclosure serves as a means for lenders to mitigate losses when borrowers cannot meet their financial commitments. The process involves legal steps that vary by state, including notifying the borrower of the pending foreclosure, allowing a period for repayment if applicable, and then proceeding to sell the property if the debt remains unpaid. This situation can drastically impact the borrower's credit score and financial future, underscoring the serious nature of defaults on mortgage agreements. Other options describe processes or scenarios that do not relate to the essence of foreclosure, clarifying the importance of choice C as the correct answer.

5. What is a “ground lease” often associated with in real estate?

- A. A lease for residential properties**
- B. A long-term lease for land without ownership of structures**
- C. A short-term lease for commercial properties**
- D. A lease that includes options for purchase**

A ground lease is specifically a long-term lease agreement that allows a lessee to use a piece of land for a specified period of time while not owning the land itself. This type of lease is often used in commercial real estate and can last for several decades, typically ranging from 30 to 99 years. Under a ground lease, the lessee has the right to build or develop on the land, but the ownership of the land itself remains with the lessor. At the end of the lease term, any improvements made on the land typically revert to the lessor, which makes this arrangement particularly useful for investors and developers who wish to develop property without the upfront costs of purchasing land. Ground leases are commonly used in scenarios where land is scarce or where it is more financially feasible for developers to pay a long-term lease rather than taking on significant debt to purchase the land outright. This distinct feature of retaining ownership of the land while allowing the lessee to utilize it for development or other purposes clearly sets apart a ground lease from leases associated with residential properties or short-term commercial rentals, which do not usually involve land ownership considerations. Additionally, options for purchase typically come into play in different contexts and are not characteristic of traditional ground leases.

6. What is the term for when lien holders allow another lien holder's claim to have priority over their own?

- A. Equitable lien**
- B. Lis pendens**
- C. Subordination agreement**
- D. Voluntary lien**

The correct answer is the subordination agreement. This legal document is used to establish the priority of liens, allowing one lien holder to agree that another lien holder's claim will take precedence over their own. This can be important in real estate transactions, particularly when refinancing or obtaining new financing. For instance, if a property owner wants to take out a second mortgage on a property that already has a first mortgage, the second mortgage lender may require a subordination agreement from the first mortgage lender. This ensures that the second mortgage is in a position to be paid before the first mortgage in the event of a default, which can make the second mortgage more appealing to the lender by adding additional security to their loan. Equitable lien refers to a right to have a claim enforceable in equity against property, but it does not pertain specifically to the prioritization of claims. Lis pendens is a notice of a pending lawsuit that affects the title to a property, but it does not establish priority among liens. A voluntary lien is one that a property owner agrees to, such as a mortgage, but it also does not address priority among multiple lien holders.

7. Which of the following purchase agreements must include an amortization schedule by state law?

- A. A property requiring a jumbo loan**
- B. Residential property purchased at a foreclosure sale**
- C. The sale of a condominium unit where financing is used**
- D. The sale of a single-family residence financed by the seller**

The requirement for an amortization schedule in a purchase agreement is specifically tied to the sale of a single-family residence financed by the seller in Delaware. This is significant because seller financing often involves direct negotiation between the buyer and seller regarding the terms of the loan, including the payment structure. An amortization schedule outlines the breakdown of each payment over the life of the loan, showing how much goes toward principal and how much goes toward interest. This transparency ensures that the buyer understands their financial commitment and aids in financial planning. By law, including an amortization schedule helps protect the buyer's interests and promotes informed decision-making in real estate transactions. In other contexts, such as properties requiring a jumbo loan or foreclosure sales, the specific regulations around amortization schedules may not apply. Jumbo loans are typically conventional loans that exceed the conforming loan limits, and while they may require certain disclosures, they do not specifically mandate an amortization schedule by state law. Similarly, the sale of a condominium unit may have its own financing structure that does not necessitate this requirement under the law. Likewise, while seller-financed single-family residences are legally obligated to have an amortization schedule, other property sales may not share the same stipulation.

8. Which is a true statement regarding general exemptions in Delaware?

- A. Farmland is typically exempt statewide.**
- B. Charitable and religious property are county-specific exemptions.**
- C. Counties may offer exemptions such as for cemeteries.**
- D. Governmental properties are exempt statewide.**

The accurate statement regarding general exemptions in Delaware is that counties may offer exemptions such as for cemeteries. This reflects the local governance structure that allows counties to tailor exemptions to specific needs within their communities. For instance, cemeteries are often recognized as essential for public interest and thus might be provided certain exemptions from property taxes at the county level. In Delaware, while there are various exemptions available, they can differ by county, meaning that certain properties may be eligible for exemptions based on local laws and requirements. This flexibility is essential for accommodating the diverse needs of each county's residents and entities. The other statements have limitations or are too broad. Farmland may receive special treatment, but it's not necessarily exempt statewide since there can be variations based on local regulations. Charitable and religious properties do indeed have exemptions, but the notion of them being county-specific could oversimplify the assessment, as they may also be subject to statewide criteria. Government properties being exempt statewide is a common principle, but it does not encompass the nuances of all local regulations or conditions that could apply.

9. Which party holds the leasehold estate in a real estate transaction?

- A. The landlord**
- B. The tenant**
- C. The property owner**
- D. The real estate agent**

In a real estate transaction, the tenant holds the leasehold estate. This is because a leasehold estate is essentially the interest that arises from the agreement between the landlord (lessor) and the tenant (lessee) when the tenant rents the property. The lease grants the tenant the right to use and occupy the property for a specified duration in exchange for rent. The leasehold estate gives the tenant certain rights, including the ability to live in or use the property as agreed in the lease contract, while the landlord retains ownership of the property itself. This dichotomy is crucial in understanding real estate transactions: the landlord retains a freehold estate as the property owner, while the tenant possesses a leasehold estate, reflecting their temporary rights to the property. Other roles, such as the property owner and the real estate agent, do not have a leasehold estate unless they are the tenant in a landlord-tenant relationship. The property owner has ownership rights but does not hold a leasehold interest in the property they own, and the real estate agent acts as a facilitator in the transaction rather than holding any interest in the estate itself.

10. What is a listing agent responsible for providing to prospective buyers?

- A. Inspect the seller's property for defects**
- B. Complete the seller's property disclosure form**
- C. Inform buyers about professional inspections**
- D. Give the seller's completed property condition disclosure form to all prospective buyers**

The responsibility of the listing agent includes ensuring that prospective buyers have access to important information regarding the property's condition. Providing the completed property condition disclosure form to all prospective buyers is a critical aspect of this role. This form is designed to disclose relevant details about the property, including any known defects or issues, thus enabling buyers to make informed decisions. By delivering this form to prospective buyers, the listing agent facilitates transparency in the transaction. Buyers can review the property's condition and potential concerns before proceeding, which can aid in building trust and reducing the likelihood of disputes later on. This practice is essential in real estate dealings as it aligns with the ethical obligation of agents to treat all parties honestly and fairly. The other responsibilities mentioned do play a role in the real estate process but do not specifically address the duty to provide the completed property condition disclosure form to buyers. Therefore, ensuring buyers receive this document is a core function of the listing agent's responsibilities.

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://delawarerealestate.examzify.com>

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