

Hawaii Broker 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. How long can a holdover tenant be evicted according to Standard Term C of the Landlord Tenant Code?**
 - A. Within the first 30 days**
 - B. Any time during the first 60 days**
 - C. Only after 90 days**
 - D. After 120 days**
- 2. What is the minimum zone established by the Shoreline Setback Statute?**
 - A. 20 feet**
 - B. 30 feet**
 - C. 40 feet**
 - D. 50 feet**
- 3. What is the core focus of the Shoreline Setback Statute?**
 - A. Environmental education**
 - B. Establishment of animal sanctuaries**
 - C. Creation of restrictive zones for construction**
 - D. Promotion of tourism**
- 4. When does the Transactional Information Report (TIR) need to be completed?**
 - A. No later than 3 days prior to closing**
 - B. No later than 5 days prior to closing**
 - C. No later than 10 days prior to closing**
 - D. No later than 15 days prior to closing**
- 5. If foreclosure sale proceeds are less than the owed amount, what can the mortgagee obtain?**
 - A. A deficiency judgment**
 - B. A new loan**
 - C. A lien on the property**
 - D. A waiver on the debt**

- 6. What type of corporations must register in Hawaii?**
- A. Only domestic corporations with 10 or more subscribers**
 - B. All foreign corporations doing business in Hawaii**
 - C. Only S Corporations**
 - D. Domestic corporations with 20 or more shareholders**
- 7. What must a broker do when practicing on a different island than their principal place of business?**
- A. Maintain supervision of activities**
 - B. Open a new office on that island**
 - C. Advertise the new location**
 - D. Remove their principal office address**
- 8. Which of the following is NOT a Hawaii usury exemption?**
- A. Indebtedness secured by a vehicle**
 - B. Indebtedness secured by a first mortgage lien on real property**
 - C. Indebtedness secured by a purchase-money junior mortgage lien on real property**
 - D. Transaction for the sale of goods or services by a seller**
- 9. What does the Hawaii Housing Finance and Development Corporation (HHFDC) focus on?**
- A. Collecting taxes from housing**
 - B. Developing and financing low and moderate income housing projects**
 - C. Enforcing building codes**
 - D. Managing public housing waiting lists**
- 10. When can a mechanics lien be filed after the completion of work?**
- A. Immediately upon completion**
 - B. Up to 30 days after completion**
 - C. Up to 45 days after completion**
 - D. Within one year after completion**

Answers

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

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Explanations

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1. How long can a holdover tenant be evicted according to Standard Term C of the Landlord Tenant Code?

- A. Within the first 30 days
- B. Any time during the first 60 days**
- C. Only after 90 days
- D. After 120 days

A holdover tenant is someone who remains in possession of a rental property after their lease has expired without the landlord's consent. According to Standard Term C of the Landlord Tenant Code, a landlord has the right to evict a holdover tenant at any point during the first 60 days following the expiration of the lease. This provision is designed to provide landlords with a clear timeframe within which they can act to regain possession of their property. It encourages timely action without allowing the tenant to remain in the property indefinitely. By specifying this 60-day period, the code helps balance the rights of both the landlord seeking to reclaim their property and the tenant, who may need some time to transition. The other options indicate either shorter or longer timeframes that do not align with this provision, which is why they are not applicable. Understanding the specific timelines established in the code is essential for both landlords and tenants to navigate their rights and responsibilities effectively.

2. What is the minimum zone established by the Shoreline Setback Statute?

- A. 20 feet
- B. 30 feet
- C. 40 feet**
- D. 50 feet

The minimum zone established by the Shoreline Setback Statute is crucial for protecting coastal environments and ensuring that development does not occur too close to the shoreline, which can exacerbate erosion and affect natural habitats. In Hawaii, the statute specifies a setback of at least 40 feet from the shoreline for new construction, with the intent of preserving public access to the beach and safeguarding ecosystems. This regulation helps mitigate the risks associated with coastal storm surges and rising sea levels, as it allows a buffer zone that can absorb some of the impacts. Additionally, it is aimed at protecting the unique landscapes and natural beauty that Hawaii is known for, ensuring that both development and environmental conservation are balanced. Ultimately, this 40-foot minimum serves as a vital guideline for land use planning along Hawaii's coastlines, emphasizing the importance of ecological preservation and responsible developmental practices.

3. What is the core focus of the Shoreline Setback Statute?

- A. Environmental education**
- B. Establishment of animal sanctuaries**
- C. Creation of restrictive zones for construction**
- D. Promotion of tourism**

The Shoreline Setback Statute is primarily concerned with the establishment of construction restrictions along coastal areas to safeguard natural resources, protect the shoreline from development-related erosion, and maintain public access to beaches and coastal environments. By defining these restrictive zones, the statute helps to mitigate the impacts of construction on the delicate coastal ecosystem and ensures that any development is appropriately situated away from vulnerable areas. This is particularly important in Hawaii, where the coastline is a critical aspect of both the environment and local culture. In contrast, the other options do not align with the main intent of the Shoreline Setback Statute. Environmental education, while important, does not set forth specific regulations regarding where construction can occur. The establishment of animal sanctuaries pertains more to wildlife conservation rather than the management of coastal development. Promotion of tourism, although a significant focus in Hawaii, is not the intention of the Shoreline Setback Statute, which is focused more on environmental protection and sustainable development practices rather than directly enhancing tourism.

4. When does the Transactional Information Report (TIR) need to be completed?

- A. No later than 3 days prior to closing**
- B. No later than 5 days prior to closing**
- C. No later than 10 days prior to closing**
- D. No later than 15 days prior to closing**

The Transactional Information Report (TIR) must be completed no later than 5 days prior to closing because this timeframe allows adequate preparation and processing for all parties involved in the transaction. Completing the TIR within this period ensures that any significant details related to the transaction are captured and verified in a timely manner, which is critical in the real estate process. This requirement helps to avoid last-minute issues that could arise if the TIR were completed later than this specified timeframe. In the context of transaction management, adhering to this timeline allows for smoother coordination among real estate professionals, lenders, and clients, increasing the chances of a successful and efficient closing.

5. If foreclosure sale proceeds are less than the owed amount, what can the mortgagee obtain?

A. A deficiency judgment

B. A new loan

C. A lien on the property

D. A waiver on the debt

When the proceeds from a foreclosure sale do not cover the total amount owed on a mortgage, the mortgagee (the lender) has the option to seek a deficiency judgment. This legal action allows the lender to recover the remaining balance owed by the borrower after the sale of the property. The rationale behind a deficiency judgment is that it provides a way for the lender to recoup some of the losses incurred because the sale did not yield enough funds to satisfy the outstanding mortgage debt. If the lender successfully obtains this judgment, they may pursue the borrower's other assets to recover the remaining amount owed. In contrast, while the other options might seem relevant at a glance, they do not apply to this scenario in the same way. A new loan would not alleviate the existing debt associated with the foreclosure. A lien on the property is not applicable once the property has been sold at foreclosure; instead, it is a claim that exists before a sale as collateral for the debt. A waiver on the debt is generally a forgiving of the debt, which is contrary to the lender's interest in recouping their losses through a deficiency judgment. Thus, obtaining a deficiency judgment is the clear and appropriate action for the mortgagee when sale proceeds fall short.

6. What type of corporations must register in Hawaii?

A. Only domestic corporations with 10 or more subscribers

B. All foreign corporations doing business in Hawaii

C. Only S Corporations

D. Domestic corporations with 20 or more shareholders

In Hawaii, all foreign corporations that are engaging in business within the state are required to register with the appropriate state authorities. This requirement ensures that foreign entities comply with local laws and regulations and allows the state to keep accurate records of businesses operating within its jurisdiction. Registering provides legal recognition to foreign corporations, enabling them to conduct business effectively and protecting their interests within the state. For foreign corporations, this registration is critical as it typically involves submitting necessary documentation and fees. This process helps to ensure that the corporation adheres to the legal standards and obligations set forth by Hawaii law. Failure to register may result in penalties and loss of the right to sue in Hawaii courts. The other options provided do not capture the comprehensive requirements for registration in Hawaii. Domestic corporations are subject to different criteria, such as those regarding the number of shareholders or subscribers, but the key element is the registration obligation for all foreign corporations doing business in the state.

7. What must a broker do when practicing on a different island than their principal place of business?

- A. Maintain supervision of activities**
- B. Open a new office on that island**
- C. Advertise the new location**
- D. Remove their principal office address**

When a broker practices on a different island from their principal place of business, they are required to maintain supervision of activities. This is essential to ensure that all real estate transactions and activities comply with Hawaii's real estate laws and regulations. Maintaining supervision means that the broker must oversee the work of their agents and ensure that all business practices meet the required standards, even when operations are conducted away from the primary office location. This oversight is critical because it helps to ensure consistency in service quality and compliance with regulations, regardless of where the broker is physically located. Brokers must be diligent in overseeing their properties and must have systems in place to effectively manage operations and communication with their agents and clients, even from a distance. The other options do not align with the requirements set forth by the Hawaii Real Estate Commission. While opening a new office or advertising a new location could be considered, they are not mandatory actions for a broker practicing in a different location. Additionally, removing the principal office address would not be appropriate since this address is required for legal and contact purposes. Thus, maintaining supervision is the fundamental responsibility that underlines a broker's operations, ensuring accountability and compliance in all dealings.

8. Which of the following is NOT a Hawaii usury exemption?

- A. Indebtedness secured by a vehicle**
- B. Indebtedness secured by a first mortgage lien on real property**
- C. Indebtedness secured by a purchase-money junior mortgage lien on real property**
- D. Transaction for the sale of goods or services by a seller**

The correct answer identifies indebtedness secured by a vehicle as not being a usury exemption under Hawaii law. In Hawaii, the usury laws, which set the maximum allowable interest rates for loans, have certain exemptions that apply to specific forms of indebtedness. These exemptions commonly include mortgages and similar financial agreements that pertain to real property, as well as transactions related to the sale of goods or services, particularly when they are properly secured. Indebtedness that is secured by a first mortgage lien on real property and junior mortgage liens reflect the traditional understanding of real estate financing where these loans can benefit from exemptions to usury limits. Furthermore, transactions for the sale of goods or services are typically exempt, as this fosters commercial activity and consumer rights. In contrast, loans secured by personal property like vehicles generally do not receive similar treatment under the usury laws. They tend to have different scrutiny than those secured by real estate, meaning they are not classified under exemptions. This distinction is crucial for understanding which types of loans and financial arrangements benefit from usury exemptions in Hawaii.

9. What does the Hawaii Housing Finance and Development Corporation (HHFDC) focus on?

- A. Collecting taxes from housing**
- B. Developing and financing low and moderate income housing projects**
- C. Enforcing building codes**
- D. Managing public housing waiting lists**

The Hawaii Housing Finance and Development Corporation (HHFDC) is dedicated to the development and financing of low and moderate-income housing projects. This agency plays a crucial role in addressing the housing needs of residents who may not afford market-rate housing. Through various programs, HHFDC facilitates the creation of affordable housing options, ensuring that more individuals and families have access to safe and secure living environments. The focus on financing and development allows the organization to stimulate housing growth, provide necessary financial resources, and support partnerships with private developers to enhance housing availability in Hawaii. Other functions like collecting taxes, enforcing building codes, or managing public housing waiting lists are outside the primary mission of HHFDC, which is specifically aimed at increasing the supply of affordable housing through financial and development initiatives.

10. When can a mechanics lien be filed after the completion of work?

- A. Immediately upon completion**
- B. Up to 30 days after completion**
- C. Up to 45 days after completion**
- D. Within one year after completion**

A mechanics lien can be filed up to 45 days after the completion of work in Hawaii. This timeframe is important as it allows contractors and suppliers to secure their right to payment by placing a lien on the property for unpaid work or materials provided. Filing within this period ensures that those who contributed labor, materials, or services to enhance the property interests are protected and have a recourse for collecting on debts owed to them. Understanding this deadline is crucial for all parties involved in property improvements so they can timely file a lien if necessary, ensuring their financial interests are safeguarded. The other timeframes mentioned do not align with the legal requirements set forth in Hawaii, which is why they are less accurate regarding the timing for filing mechanics liens.

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://hawaiibroker.examzify.com>

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