

HAWAII PRE- LICENSING NATIONAL PRACTICE EXAM (SAMPLE)

STUDY GUIDE



**SAMPLE STUDY GUIDE
WITH LIMITED QUESTIONS**

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THE FULL VERSION STUDY GUIDE**

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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. Under the Federal Fair Housing Act, what may an owner do when a visually-impaired person requests an apartment with a no-pets policy?**
 - A. Deny the application due to the pet policy
 - B. Require the individual to pay additional fees
 - C. Allow the person to have the Seeing Eye dog
 - D. Ask for proof of service animal certification
- 2. What is the seller's total payment if the title insurance is \$174.90, title search \$75, paper preparation \$15, and miscellaneous fees \$6.10, with the seller paying 60%?**
 - A. Approximately \$104
 - B. Approximately \$120
 - C. Approximately \$54 more than the buyer
 - D. Approximately \$45 more than the buyer
- 3. When a husband and wife take title to a property as tenants in common, what does this ownership form allow for?**
 - A. Only equal shares of ownership
 - B. Only unequal shares of ownership
 - C. Equal shares of ownership only if specified
 - D. Unequal or equal shares of ownership
- 4. What is the role of a closing agent?**
 - A. To facilitate the closing process by ensuring all documents are signed and funds are properly transferred
 - B. To evaluate property values
 - C. To assist buyers with mortgage applications
 - D. To negotiate sales contracts
- 5. In managing a rental property, what is a primary duty of the property manager?**
 - A. Setting rental prices
 - B. Collecting rent payments
 - C. Renovating properties
 - D. Marketing properties for lease

- 6. When a buyer assumes a loan while purchasing a property, what remains unchanged concerning the seller's obligations?**
- A. The seller's rights under the mortgage
 - B. The seller's obligations under the existing mortgage
 - C. The buyer's liability for the mortgage
 - D. The terms of the mortgage agreement
- 7. What is a key consideration of an oral sales contract involving real estate?**
- A. It is always enforceable in court
 - B. It may not be enforceable in a court of law
 - C. It must be notarized
 - D. Both parties must have legal representation
- 8. Which statement about the income approach to value is correct?**
- A. It evaluates value according to property depreciation.
 - B. It estimates value based on historical sales data.
 - C. It determines an investment property's value based on its return.
 - D. It assesses value relative to similar properties in the area.
- 9. What is the primary role of a real estate broker?**
- A. To manage rental properties
 - B. To facilitate real estate transactions
 - C. To provide legal advice
 - D. To appraise property values
- 10. Under what condition might a landlord violate fair housing laws?**
- A. By refusing to rent to a person with a pet
 - B. By denying rental based on a tenant's credit score
 - C. By not allowing children in the complex
 - D. By refusing to rent to someone based on their nationality

Answers

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

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Explanations

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1. Under the Federal Fair Housing Act, what may an owner do when a visually-impaired person requests an apartment with a no-pets policy?

- A. Deny the application due to the pet policy
- B. Require the individual to pay additional fees
- C. Allow the person to have the Seeing Eye dog**
- D. Ask for proof of service animal certification

An owner must allow a visually-impaired person to have a Seeing Eye dog, even in a property that has a no-pets policy. This is because service animals, such as Seeing Eye dogs, are not classified as pets under the Federal Fair Housing Act. The Act mandates that reasonable accommodations must be made for individuals with disabilities, which includes allowing service animals. The law recognizes that service animals are essential for individuals with certain disabilities to fully utilize and enjoy their living accommodations. Thus, the presence of a Seeing Eye dog is a necessary accommodation for the visually impaired individual, irrespective of existing pet restrictions. To provide further context, denying the application due to a pet policy does not align with the requirement to accommodate individuals with disabilities. Similarly, requiring additional fees or asking for proof of service animal certification would go against the spirit of the Fair Housing Act, which emphasizes equal access and the removal of barriers that might hinder individuals with disabilities from having the same housing opportunities as others.

2. What is the seller's total payment if the title insurance is \$174.90, title search \$75, paper preparation \$15, and miscellaneous fees \$6.10, with the seller paying 60%?

- A. Approximately \$104
- B. Approximately \$120
- C. Approximately \$54 more than the buyer**
- D. Approximately \$45 more than the buyer

To determine the seller's total payment, first calculate the total costs associated with the transaction. This includes the title insurance, title search, paper preparation, and miscellaneous fees. Adding these amounts together: - Title insurance: \$174.90 - Title search: \$75 - Paper preparation: \$15 - Miscellaneous fees: \$6.10 Total costs = \$174.90 + \$75 + \$15 + \$6.10 = \$271.00. Since the seller is responsible for 60% of the total costs, we multiply the total by 0.60: Seller's payment = $0.60 \times \$271.00 = \162.60 . Next, to find out how much more the seller is paying compared to what the buyer covers, we need to calculate the buyer's payment, which is the remaining 40% of the total costs: Buyer's payment = $0.40 \times \$271.00 = \108.40 . Now, we find the difference between the seller's payment and the buyer's payment: Difference = Seller's payment - Buyer's payment = $\$162.60 - \$108.40 = \$54.20$. This indicates that the seller is indeed paying approximately

3. When a husband and wife take title to a property as tenants in common, what does this ownership form allow for?

- A. Only equal shares of ownership
- B. Only unequal shares of ownership
- C. Equal shares of ownership only if specified

D. Unequal or equal shares of ownership

When a husband and wife take title to a property as tenants in common, this form of ownership allows for unequal or equal shares of ownership. Tenancy in common is characterized by the ability of each co-owner to own a distinct percentage of the property. This means that one spouse can own a larger share, while the other owns a smaller share, or they can choose to own equal shares if they so desire. This flexibility is a significant aspect of tenancy in common, making it distinct from other forms of co-ownership, such as joint tenancy, where equal shares are mandatory. The ability to specify different ownership interests provides co-owners with greater control over their investment, allowing for arrangements that reflect their individual financial contributions or agreements. In summary, tenancy in common permits both equal or unequal sharing of ownership, which is why the correct choice recognizes this dual possibility.

4. What is the role of a closing agent?

A. To facilitate the closing process by ensuring all documents are signed and funds are properly transferred

- B. To evaluate property values
- C. To assist buyers with mortgage applications
- D. To negotiate sales contracts

The role of a closing agent primarily involves facilitating the closing process in a real estate transaction. This includes ensuring that all necessary documents are completed and signed by the relevant parties, as well as overseeing the proper transfer of funds. The closing agent acts as a neutral third party who coordinates the closing meeting, collects and verifies documentation, and ensures that all legal obligations are fulfilled before the property is officially transferred from the seller to the buyer. This role is crucial because it helps to prevent any issues that may arise during the closing, such as incomplete paperwork or improperly handled funds. By managing these critical tasks, the closing agent ensures that the transaction is executed smoothly and legally, providing peace of mind to all participants involved in the sale. The other options address different aspects of real estate transactions that are not typical responsibilities of a closing agent. For instance, evaluating property values typically falls under the purview of appraisers, assisting buyers with mortgage applications is generally the responsibility of loan officers or mortgage brokers, and negotiating sales contracts is usually managed by real estate agents or attorneys. Each of these roles is important in the real estate process but does not align with the specific duties of a closing agent.

5. In managing a rental property, what is a primary duty of the property manager?

- A. Setting rental prices**
- B. Collecting rent payments
- C. Renovating properties
- D. Marketing properties for lease

The primary duty of a property manager encompasses several responsibilities crucial for the efficient operation of rental properties, and setting rental prices is indeed a fundamental aspect of this role. Accurate pricing is essential as it directly influences occupancy rates and the overall profitability of the property. Setting the right rental prices involves extensive market analysis, understanding local demand trends, and being aware of comparable properties in the area. This function is vital to attract tenants while ensuring that the property generates sufficient revenue. While collecting rent payments, renovating properties, and marketing properties for lease are all important tasks associated with property management, they typically follow the establishment of a suitable rental price. Collecting rent payments is operationally critical once tenants are in place, and marketing properties effectively is reliant on having appropriately positioned rental prices to attract prospective tenants. Renovating properties enhances value and can lead to higher rental prices, but these activities stem from the initial step of correctly setting those prices for potential tenants. Therefore, setting rental prices stands out as a primary duty within the broader scope of property management.

6. When a buyer assumes a loan while purchasing a property, what remains unchanged concerning the seller's obligations?

- A. The seller's rights under the mortgage
- B. The seller's obligations under the existing mortgage**
- C. The buyer's liability for the mortgage
- D. The terms of the mortgage agreement

When a buyer assumes a loan in a property purchase, the seller's obligations under the existing mortgage remain unchanged because the original mortgage agreement is still in effect and the seller has not been released from their responsibilities to the lender. This means that even though the buyer takes over the payments and assumes the loan, the seller is still liable to the lender if the buyer fails to make those payments or defaults on the loan. The seller's obligations pertain to the original agreement made with the lender and remain intact unless the lender specifically agrees to release the seller from those obligations or issues a novation. Therefore, the seller remains responsible for the debt until it is paid in full or the lender agrees to some form of release. The other options point to aspects that may not remain the same or are not relevant in this context. For instance, the seller's rights under the mortgage may still be intact, but they do not directly relate to the obligations that persist once the buyer assumes the loan. The buyer's liability for the mortgage changes upon assumption, as they take on the responsibility for the loan going forward. Lastly, although the terms of the mortgage agreement may stay the same, they are not what remains unchanged regarding the seller's obligations specifically. Understanding these dynamics

7. What is a key consideration of an oral sales contract involving real estate?

- A. It is always enforceable in court
- B. It may not be enforceable in a court of law**
- C. It must be notarized
- D. Both parties must have legal representation

An oral sales contract involving real estate may not be enforceable in a court of law primarily due to the Statute of Frauds. This legal principle requires specific types of contracts, including those for the sale of real estate, to be in writing in order to be legally binding. Because of this requirement, even if there is mutual consent and agreement between the parties in an oral contract, it can be challenging to enforce if disputes arise. The lack of a written record makes it difficult to provide tangible evidence of the terms agreed upon, which can lead to uncertainty and potential legal complications. Hence, the enforceability of an oral sales contract concerning real estate can be quite limited, directing one toward the necessity for a written agreement to secure the intent and rights of the parties involved.

8. Which statement about the income approach to value is correct?

- A. It evaluates value according to property depreciation.
- B. It estimates value based on historical sales data.
- C. It determines an investment property's value based on its return.**
- D. It assesses value relative to similar properties in the area.

The income approach to value is a method primarily used in the appraisal of investment properties, emphasizing the income that the property is expected to generate. This approach focuses on the potential future financial return that an investor can derive from the property, such as rental income or other revenue streams. By capitalizing the net income—taking into account operating expenses and vacancy rates—appraisers can estimate the property's value based on its income-producing capabilities. This method stands apart from evaluating property depreciation, which is more concerned with the physical condition of the property over time, as well as from estimating value based solely on historical sales data or comparing it to similar properties. While those methods are valuable in their own contexts, the income approach specifically analyzes the property's financial performance, making it the correct method for determining value in relation to an investment's expected returns.

9. What is the primary role of a real estate broker?

- A. To manage rental properties
- B. To facilitate real estate transactions**
- C. To provide legal advice
- D. To appraise property values

The primary role of a real estate broker is to facilitate real estate transactions. This involves acting as an intermediary in the buying, selling, or leasing of properties. Brokers are responsible for guiding clients through the complexities of real estate deals, which includes helping them understand market conditions, evaluating properties, negotiating offers, and ensuring compliance with legal and regulatory requirements. In fulfilling this role, brokers utilize their expertise and network to connect buyers with sellers and assist in all aspects of a transaction, which may include marketing properties, conducting showings, and coordinating inspections and closings. By doing so, they help ensure that transactions are smooth and successful for all parties involved. While managing rental properties, providing legal advice, and appraising property values are important aspects of the real estate industry, these responsibilities are typically specialized functions that may be handled by property managers, attorneys, or appraisers respectively. The broker's core function remains centered around facilitating the exchange of real estate, making them essential to the overall process of buying and selling properties.

10. Under what condition might a landlord violate fair housing laws?

- A. By refusing to rent to a person with a pet
- B. By denying rental based on a tenant's credit score
- C. By not allowing children in the complex
- D. By refusing to rent to someone based on their nationality**

A landlord may violate fair housing laws by refusing to rent to someone based on their nationality because such actions are discriminatory and directly contravene the Fair Housing Act, which prohibits discrimination based on race, color, national origin, religion, sex, familial status, and disability. Nationality is considered a protected characteristic, and landlords must treat all prospective tenants equally regardless of their background or identity. In contrast, refusing to rent to a person with a pet, denying rental based on a tenant's credit score, or not allowing children in the complex may not inherently violate fair housing laws unless they can be proven to be discriminatory practices. For example, restrictions on pets may be related to property management policies rather than discrimination against a protected class. Similarly, using a credit score as a basis for rental decisions could be a standard business practice unless it disproportionately affects individuals in a protected category. Rules regarding children may be permissible in certain types of housing, such as senior living, as long as they comply with the legal exceptions under fair housing regulations.

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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://hawaii-prelicensing.examzify.com>

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

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