

HAWAII REAL ESTATE SALESPERSON 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. What happens when a salesperson accepts a bonus from a seller weeks after closing?**
 - A. Accepting the money is allowed if more than 30 days have passed
 - B. Accepting the bonus violates commission regulations
 - C. The salesperson can receive bonuses as they are licensed
 - D. The salesperson may accept the bonus if permitted by their broker
- 2. What type of payment remains constant over the loan period but leaves an outstanding balance at the end?**
 - A. A balloon payment
 - B. An accelerated payment
 - C. A satisfaction payment
 - D. An escalation payment
- 3. When is agency disclosure required at the earliest?**
 - A. At any time after a deposit receipt is executed
 - B. No later than the closing
 - C. Prior to preparing the contract
 - D. At the time of the first substantial business contact
- 4. What must individuals do within one year of license forfeiture to restore their license in Hawaii?**
 - A. Complete a new training course
 - B. Submit a written application and pay required fees
 - C. Pass an advanced examination
 - D. Wait for notifications from the board
- 5. What is a requirement for renewing a real estate license in Hawaii?**
 - A. Be actively participating in the real estate business
 - B. Have completed 20 hours of continuing education by an approved provider in the last two years
 - C. Only pay a fee
 - D. Have completed six hours of continuing education in the last two years

- 6. What is the HARPTA tax rate applied in Hawaii?**
- A. 7%
 - B. 7.25%
 - C. 6%
 - D. 7.35%
- 7. What significant land reform occurred in Hawaii in 1848?**
- A. The Ahupua'a Land Division Act
 - B. The Great Mahele
 - C. King Kamehameha Land Reform Act of 1848
 - D. The creation of Kuleana Lands
- 8. A real estate broker must have a license in which circumstance?**
- A. If selling property on behalf of the owner
 - B. If managing personal residential properties
 - C. If involved in leasing of real estate
 - D. If auctioning real estate
- 9. What type of deed requires a conveyance tax to be paid in Hawaii?**
- A. Gift deeds
 - B. Satisfaction of an agreement of sale
 - C. Devisee's deeds
 - D. General warranty deed
- 10. Regarding De Minimis Structure Position Discrepancies, which statement is true?**
- A. There is a three inch tolerance for all properties
 - B. There is an eighteen inch tolerance for conservation properties
 - C. There is a nine inch tolerance for residential properties
 - D. The new structure does not have to comply after destruction

Answers

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

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Explanations

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1. What happens when a salesperson accepts a bonus from a seller weeks after closing?

- A. Accepting the money is allowed if more than 30 days have passed
- B. Accepting the bonus violates commission regulations**
- C. The salesperson can receive bonuses as they are licensed
- D. The salesperson may accept the bonus if permitted by their broker

When a salesperson accepts a bonus from a seller weeks after closing, it is important to understand the implications of such an action relative to commission regulations. Accepting a bonus without proper disclosure and authorization can lead to violations of ethical standards and regulatory rules which govern real estate agents and salespersons. The acceptance of bonuses is typically governed by regulations established by the state's real estate commission. In many jurisdictions, any compensation received by a salesperson must be disclosed to their employing broker and may need to be reported in certain ways to comply with the law. This ensures transparency in transactions and protects all parties involved. When a bonus is accepted without the broker's knowledge or outside of established protocols, it can significantly undermine the integrity of the transaction and violate these regulations. Therefore, the act of accepting the bonus, in this context, indeed violates commission regulations and could lead to disciplinary actions against the salesperson, including the potential revocation of their license. Adhering to proper procedures and obtaining necessary permissions from brokers are crucial components of maintaining compliance in a licensed profession.

2. What type of payment remains constant over the loan period but leaves an outstanding balance at the end?

- A. A balloon payment**
- B. An accelerated payment
- C. A satisfaction payment
- D. An escalation payment

A balloon payment is a specific type of loan structure where the borrower makes regular payments that cover only the interest or a part of the principal for a certain period. As a result, while the monthly payments remain consistent throughout the term of the loan, a significant amount of the principal remains unpaid. At the end of this period, the borrower must pay off the entire remaining balance in one large final payment, known as the balloon payment. This loan structure is commonly used in short-term financing options, such as certain types of mortgages or commercial loans, where the borrower anticipates being able to refinance or sell the property before the balloon payment comes due. The predictability of the constant payment amount can make budgeting easier for borrowers, but it can also lead to financial challenges if the borrower is unprepared for the large sum due at the end of the term. The other options refer to different payment structures: accelerated payments typically imply a repayment plan that involves higher payments to pay off a loan faster; satisfaction payments are related to concluding or paying off loans entirely without a focus on outstanding balances; and escalation payments pertain to a structure where payments increase over time, usually tied to some index or rate. These do not fit the description of maintaining constant payments while leaving an

3. When is agency disclosure required at the earliest?

- A. At any time after a deposit receipt is executed
- B. No later than the closing
- C. Prior to preparing the contract**
- D. At the time of the first substantial business contact

Agency disclosure is an important aspect of real estate transactions, as it ensures that all parties are aware of the nature of the relationship between the agent and the client. The correct timing for this disclosure is prior to preparing the contract. This is crucial because agency disclosure serves to clarify the role of the agent, whether they represent the buyer, seller, or another party, and helps prevent misunderstandings and potential conflicts of interest down the line. Acknowledging the agency relationship early in the process fosters transparency and trust, allowing clients to make informed decisions before any contractual obligations are established. This timing helps ensure that all parties are aligned and can engage in the transaction with a clear understanding of their rights and responsibilities. Other options do not align with the regulatory standards for agency disclosure. For instance, disclosing at any time after a deposit receipt is executed may not provide adequate information to the client before they make critical decisions. Similarly, waiting until closing or at the time of first substantial contact can lead to confusion and may not meet the legal requirements for timely disclosure in a real estate transaction.

4. What must individuals do within one year of license forfeiture to restore their license in Hawaii?

- A. Complete a new training course
- B. Submit a written application and pay required fees**
- C. Pass an advanced examination
- D. Wait for notifications from the board

In Hawaii, when an individual's real estate license is forfeited, they have the possibility of restoring it within a year by submitting a written application along with the required fees. This process is necessary to demonstrate that the individual is still committed to maintaining their license and upholding industry standards. Additionally, submitting an application allows the appropriate regulatory body to review the individual's qualifications, any reasons for the forfeiture, and whether they have addressed these issues. Paying the required fees is also a standard part of the application process, as it helps fund the regulatory framework that governs real estate practices. The other options may highlight important components of real estate licensing, but they do not accurately reflect the specific actions required for license restoration within the one-year timeframe following forfeiture. For instance, completing a new training course or passing an advanced examination may be prerequisites for obtaining a license initially or for certain renewals, but they are not mandates for restoring a forfeited license specifically. Similarly, waiting for notifications from the board would not be proactive and does not fulfill the legal obligations of an individual seeking to restore their license.

5. What is a requirement for renewing a real estate license in Hawaii?

- A. Be actively participating in the real estate business
- B. Have completed 20 hours of continuing education by an approved provider in the last two years**
- C. Only pay a fee
- D. Have completed six hours of continuing education in the last two years

In Hawaii, the requirement to renew a real estate license entails having completed 20 hours of continuing education from an approved provider within the past two years. This continuing education is designed to ensure that real estate professionals stay informed about the latest laws, practices, and trends in the industry, which is essential for providing competent service to clients. The continuing education requirement not only enhances the knowledge and skills of real estate professionals but also promotes standards within the industry, ensuring that agents are up-to-date with compliance and regulatory changes. The structure of requiring a specific number of hours reflects an ongoing commitment to professional development, which ultimately benefits both the practitioner and the public they serve. Other options do not fulfill the specific educational requirement that is mandated for license renewal, which emphasizes the importance of structured education over mere participation in the field or simply paying a fee.

6. What is the HARPTA tax rate applied in Hawaii?

- A. 7%
- B. 7.25%**
- C. 6%
- D. 7.35%

The HARPTA tax rate, which stands for the Hawaii Real Property Tax Act, is a tax applied to non-resident sellers of Hawaii real estate. The correct rate under HARPTA is indeed 7.25%. This tax is withheld at the time of the sale to ensure that taxes owed on the capital gains from the sale of property are collected. It applies to transactions where the seller is not a resident of Hawaii and is designed to capture tax revenue from those who might not otherwise pay state income tax. Understanding this tax rate is crucial for both sellers and real estate professionals in Hawaii, as it impacts financial planning and transaction procedures.

7. What significant land reform occurred in Hawaii in 1848?

- A. The Ahupua'a Land Division Act
- B. The Great Mahele**
- C. King Kamehameha Land Reform Act of 1848
- D. The creation of Kuleana Lands

The Great Mahele, enacted in 1848, was a pivotal land reform in Hawaii that fundamentally altered land tenure in the islands. Prior to the Great Mahele, land in Hawaii was traditionally held in a communal system under the Ahupua'a system, which divided lands from the mountains to the ocean and allowed for sustainable management of resources by local populations. The Great Mahele aimed to transition from this communal land system to a more private ownership structure. It formalized the allotment of land to chiefs, the king, and commoners, with the intent of increasing personal property rights and enabling land ownership among Hawaiian citizens. This reform led to the establishment of Kuleana land, which allowed individuals, particularly native Hawaiians, to claim land for their personal use and cultivation. By redistributing land in a way that recognized private ownership, the Great Mahele made significant changes to the socio-economic structure of Hawaii, eventually leading to a mix of native and foreign ownership of land and complicating the status of native land rights. Thus, this reform was significant in shaping the future of land use and property rights in Hawaii.

8. A real estate broker must have a license in which circumstance?

- A. If selling property on behalf of the owner
- B. If managing personal residential properties
- C. If involved in leasing of real estate
- D. If auctioning real estate

A real estate broker must have a license when selling property on behalf of the owner because this activity constitutes a fiduciary responsibility where the broker represents the interests of another party in a real estate transaction. Licensing ensures that the broker has met the necessary educational and ethical standards required to handle such transactions legally and competently. Brokers are also responsible for navigating complex legal frameworks and understanding the market, both of which require formal training and adherence to regulations. Managing personal residential properties, while it may require a certain level of knowledge, does not necessarily require a licensed broker as long as the owner is not acting on behalf of someone else. Involvement in leasing real estate can sometimes fall under the umbrella of property management, and specific regulations might differ, depending on the extent of the activity and whether the broker is representing others. Auctioning real estate also typically requires licensing, but this specific activity would not necessarily encompass all brokers, as there are specialized auctioneers. Therefore, selling property on behalf of the owner is the most direct circumstance that mandates a broker's license.

9. What type of deed requires a conveyance tax to be paid in Hawaii?

- A. Gift deeds
- B. Satisfaction of an agreement of sale
- C. Devisee's deeds
- D. General warranty deed

In Hawaii, a conveyance tax is imposed on the transfer of real property, and it is applicable specifically to general warranty deeds. A general warranty deed is a type of deed that provides the highest level of protection to the grantee (buyer). It guarantees that the grantor (seller) holds clear title to the property and has the legal right to transfer it, and it also assures that the property is free from any encumbrances, except those specifically stated in the deed. The conveyance tax is designed to be a tax on the transfer of real property ownership, and since a general warranty deed is a formal, legal mechanism by which ownership is transferred, it falls under the requirements of the conveyance tax regulations. Other types of deeds mentioned, such as gift deeds and deeds related to the satisfaction of an agreement of sale, typically do not incur such taxes. Gift deeds may be exempt from the conveyance tax due to the nature of the transaction not being a sale, while satisfaction of an agreement of sale refers to fulfilling contractual obligations that do not transfer title in the conventional sense. Devisee's deeds, which relate to the transfer of property through inheritance, also do not trigger the conveyance tax since they do not involve a sale or change

10. Regarding De Minimus Structure Position Discrepancies, which statement is true?

- A. There is a three inch tolerance for all properties
- B. There is an eighteen inch tolerance for conservation properties**
- C. There is a nine inch tolerance for residential properties
- D. The new structure does not have to comply after destruction

The statement regarding De Minimus Structure Position Discrepancies that is true is that there is an eighteen-inch tolerance for conservation properties. This is significant in the context of real estate since conservation properties often involve sensitive environmental considerations, and a slightly larger tolerance allows for a practical approach to the positioning of structures without causing undue hardship on property owners. In conservation areas, it is crucial to maintain ecological integrity while allowing for reasonable flexibility in construction and renovation, and this eighteen-inch allowance reflects that balance. It recognizes the unique circumstances of conservation properties, which may have additional regulations in place. This particular tolerance is distinct from the allowances provided for residential properties or other property types, which have different specifications. Understanding the specific tolerances applicable to various property classifications is essential for real estate professionals, especially in Hawaii, where regulations can be influenced by environmental factors.

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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://hirealestatesalesperson.examzify.com>

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

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