

# IDAHO REAL ESTATE PRACTICE EXAM (SAMPLE)

## STUDY GUIDE



## SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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<https://idahorealestate.examzify.com>



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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. Which of the following is true regarding how agents are compensated for their work?**
  - A. They receive a salary from the state
  - B. They are paid from their broker
  - C. Clients pay agents directly
  - D. Commissions are split evenly with all brokers
- 2. How many good faith attempts are required to personally serve a notice of default in a deed of trust foreclosure?**
  - A. 1
  - B. 3
  - C. 5
  - D. 10
- 3. What document evidences a debt owed by the property purchaser?**
  - A. Purchase agreement
  - B. Promissory note
  - C. Title deed
  - D. Escrow agreement
- 4. If an Idaho real estate company has agreements with both a buyer and a seller, can the buyer make an offer on the seller's property?**
  - A. No, that is illegal
  - B. Yes, if the agreements remain confidential
  - C. Yes, if both parties consent
  - D. No, this is considered double dipping
- 5. In the context of real estate transactions, what does the term "vendor" refer to?**
  - A. The buyer of the property
  - B. The seller of the property
  - C. A real estate agent
  - D. A bank or financial institution

- 6. What is one of the responsibilities of an office manager in a real estate office?**
- A. Managing advertising budget and expenses
  - B. Coordinating the flow of paperwork through the office
  - C. Performing real estate transactions
  - D. Handling all negotiations with clients
- 7. Upon obtaining a properly signed and dated acceptance of an offer to purchase, what is required per Idaho code concerning documentation?**
- A. Send copies to the buyer only
  - B. Hold copies in the office file
  - C. Deliver copies to both the buyer and the seller
  - D. File with the local court
- 8. What detail is NOT required in a buyer representation agreement?**
- A. Information about buyer preferences
  - B. The agreed-upon fee for services
  - C. The commission split with listing agents
  - D. The buyer's consent to representation
- 9. If a seller decides to switch to a different brokerage firm, what must the listing agent do concerning buyer inquiries?**
- A. Refer all inquiries to the new brokerage
  - B. Inform buyers of the switch
  - C. Continue to show the property
  - D. Offer buyers discounts
- 10. What type of written policy is every brokerage in Idaho required to have?**
- A. A commission sharing agreement
  - B. An office agency policy
  - C. A client confidentiality policy
  - D. A conflict of interest policy



## **Answers**

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

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## **Explanations**

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**1. Which of the following is true regarding how agents are compensated for their work?**

- A. They receive a salary from the state
- B. They are paid from their broker**
- C. Clients pay agents directly
- D. Commissions are split evenly with all brokers

*Agents in the real estate industry typically operate under a commission-based compensation structure, primarily being paid by their brokers. This means that agents earn a percentage of the commissions derived from the transactions they facilitate, and these commissions are initially paid to the brokerage. The relationship between agents and brokers is significant in this context. The broker provides support, office resources, and the legal framework under which agents operate. Consequently, while agents do earn commission for sales, they do so through the broker, who may then distribute the agreed-upon percentage to the agent after deducting their share. This structure allows agents to focus on client relations and sales activities, while brokers manage the business and legal aspects of the transactions. In contrast, agents do not receive a salary directly from the state nor do clients typically pay agents directly in exchange for their services without the brokerage's involvement. Additionally, commission splits among brokers can vary widely based on agreements and are rarely even splits, as they take into account the experience of the agent, productivity levels, and the services provided by the brokerage.*

**2. How many good faith attempts are required to personally serve a notice of default in a deed of trust foreclosure?**

- A. 1
- B. 3**
- C. 5
- D. 10

*In the context of a deed of trust foreclosure in Idaho, the law requires that there must be three good faith attempts to personally serve a notice of default. This requirement is in place to ensure that the borrower has adequate notice of the default and is given a fair opportunity to respond or remedy the situation before proceeding with foreclosure actions. These attempts must be made at reasonable times and should be documented to demonstrate the effort taken to reach the borrower. This is important not only for legal compliance but also to uphold the principles of fair and just practice in real estate transactions. Having a specified number of attempts helps establish a clear and structured process for both lenders and borrowers, minimizing misunderstandings and potential disputes. The options represent varying levels of attempt, with one attempt being too few to ensure adequate notice, while five and ten attempts could be excessive and impractical. Thus, the requirement for three attempts strikes a balance between diligence in communicating with the borrower and efficiency in handling foreclosure proceedings.*

### 3. What document evidences a debt owed by the property purchaser?

- A. Purchase agreement
- B. Promissory note**
- C. Title deed
- D. Escrow agreement

*The promissory note serves as a document that evidences a debt owed by the property purchaser. It is a written promise to pay a specified amount of money to a lender under defined terms, including interest rates and repayment conditions. When a buyer takes out a mortgage or any loan to finance the purchase of real estate, they typically sign a promissory note as part of the transaction, which formally outlines the commitment to repay the borrowed funds. The purchase agreement outlines the terms of the sale, such as sale price and conditions, but does not itself create or represent the specific debt. The title deed is a legal document that establishes ownership of the property, while the escrow agreement is used to designate how funds and documents are handled between parties before the transaction is finalized. Therefore, the promissory note is the most direct evidence of the debt obligation between the borrower and the lender in a real estate purchase.*

### 4. If an Idaho real estate company has agreements with both a buyer and a seller, can the buyer make an offer on the seller's property?

- A. No, that is illegal
- B. Yes, if the agreements remain confidential
- C. Yes, if both parties consent**
- D. No, this is considered double dipping

*In the scenario where an Idaho real estate company has agreements with both a buyer and a seller, it is permissible for the buyer to make an offer on the seller's property as long as both parties provide their consent. This consent is essential because it ensures that the interests of both the buyer and the seller are protected and that there are no conflicts of interest. Real estate agents often work with multiple clients simultaneously. However, it is critical for the agent to maintain transparency and obtain consent from both parties to navigate the dual representation ethically. This situation, known as dual agency, requires the agent to disclose their dual role and the implications it may have on the transaction. Hence, as long as the necessary disclosures are made and both parties consent, the buyer can indeed make an offer on the seller's property. Confidentiality is also a factor; while maintaining the confidentiality of the agreements is important, it is not the sole condition that governs whether the buyer can make an offer. The necessity of explicit consent makes this option the most appropriate in the context of real estate practice in Idaho.*

**5. In the context of real estate transactions, what does the term "vendor" refer to?**

- A. The buyer of the property
- B. The seller of the property**
- C. A real estate agent
- D. A bank or financial institution

*In real estate transactions, the term "vendor" specifically refers to the seller of the property. This terminology is commonly used in various legal and industry contexts, indicating the party that offers the property for sale and has ownership rights over it. The vendor is responsible for conveying the property title to the buyer, who is often referred to as the "vendee." Understanding this terminology is essential for anyone involved in real estate, as it helps clarify the roles and responsibilities of the parties in a transaction. The other options represent different roles within a real estate transaction. The buyer, typically known as the vendee, stands on the opposite side of the transaction from the vendor. A real estate agent serves as an intermediary and does not actually own the property being sold. Banks or financial institutions are involved as potential lenders but do not typically have ownership of the property being transferred. This distinction reinforces the understanding that the vendor is specifically the seller in the context of real estate transactions.*

**6. What is one of the responsibilities of an office manager in a real estate office?**

- A. Managing advertising budget and expenses
- B. Coordinating the flow of paperwork through the office**
- C. Performing real estate transactions
- D. Handling all negotiations with clients

*An office manager in a real estate office plays a crucial role in ensuring that operations run smoothly and efficiently. One of their primary responsibilities involves coordinating the flow of paperwork through the office. This includes managing documents related to property transactions, maintaining files, ensuring that all necessary forms are completed accurately, and facilitating communication between different parties involved in real estate transactions. Efficient paperwork management is vital in real estate as it helps prevent delays, ensures compliance with regulations, and enhances communication among agents, clients, and outside vendors. By overseeing this process, the office manager facilitates a streamlined operation, allowing real estate agents to focus more on their client interactions and less on administrative tasks. In contrast, managing the advertising budget, while important, is a different focus that might fall under marketing. Performing real estate transactions and handling negotiations are typically duties carried out by licensed real estate agents rather than the office manager, who generally does not engage in these high-level sales activities.*

**7. Upon obtaining a properly signed and dated acceptance of an offer to purchase, what is required per Idaho code concerning documentation?**

- A. Send copies to the buyer only
- B. Hold copies in the office file
- C. Deliver copies to both the buyer and the seller**
- D. File with the local court

*The requirement to deliver copies of a properly signed and dated acceptance of an offer to both the buyer and the seller aligns with Idaho code designed to ensure that all parties involved in a real estate transaction have a clear and mutual understanding of the terms. This act of delivering copies serves several important purposes: it provides legal protection to both parties, ensures transparency, and confirms that both parties have access to the same information about the transaction. By providing each party with a copy, it facilitates communication and can help prevent misunderstandings or disputes later in the process. This step is part of the standard procedure in real estate transactions to maintain professionalism and uphold the legal standards established by state regulations. While options such as sending copies only to the buyer or holding them in an office file could reflect a lack of thorough communication, and filing with the local court is not a requirement for this specific documentation, the correct choice promotes a complete and fair approach to handling the paperwork involved in purchasing real estate.*

**8. What detail is NOT required in a buyer representation agreement?**

- A. Information about buyer preferences
- B. The agreed-upon fee for services
- C. The commission split with listing agents**
- D. The buyer's consent to representation

*A buyer representation agreement primarily outlines the relationship and expectations between a buyer and their real estate agent. While it includes various essential details that clarify the terms of service, such as the buyer's preferences, the fee for services provided, and the buyer's consent to the representation, there is no requirement for disclosing the commission split with listing agents. The commission structure is typically between the listing agent and their brokerage, and while it can impact a buyer's transaction, it is not a necessary detail that needs to be outlined in the buyer representation agreement itself. This agreement focuses more on the services and obligations of the buyer's agent in relation to the buyer rather than the specifics of commission arrangements involving other parties. Thus, the inclusion of a commission split is not mandated in this type of agreement.*



**9. If a seller decides to switch to a different brokerage firm, what must the listing agent do concerning buyer inquiries?**

**A. Refer all inquiries to the new brokerage**

B. Inform buyers of the switch

C. Continue to show the property

D. Offer buyers discounts

*When a seller transitions to a different brokerage firm, it's essential for the listing agent to ensure that communication regarding the property remains clear and accurate. Referring all inquiries to the new brokerage is crucial because it ensures that buyers receive the most current and relevant information about the property. The new brokerage will have the most up-to-date details, such as any changes in listing status, pricing, or terms affecting the sale. This referral helps maintain professionalism and ensures that interested buyers are directed to the proper sources for assistance, creating a streamlined process for all parties involved. In this context, informing buyers of the switch may be important, but it does not guarantee that buyers will receive accurate, timely, and actionable information moving forward. Continuing to show the property or offering discounts does not address the necessary shift in representation and could lead to miscommunication. By referring inquiries to the new brokerage, the listing agent complies with proper protocol and upholds their responsibility to facilitate a smooth transition between brokerages.*

**10. What type of written policy is every brokerage in Idaho required to have?**

A. A commission sharing agreement

**B. An office agency policy**

C. A client confidentiality policy

D. A conflict of interest policy

*In Idaho, every brokerage is required to have an office agency policy. This policy outlines how the brokerage will handle various agency relationships, ensuring that all parties involved—agents, clients, and customers—clearly understand their rights and responsibilities. This is critical in maintaining transparency and ethical standards within real estate transactions. The office agency policy serves to safeguard both the clients' interests and the brokerage's compliance with state laws relating to agency relationships. The other options, while useful in certain contexts, are not mandated for all brokerages in the same way. For instance, a commission sharing agreement would be specific to the financial arrangements within the brokerage but doesn't address the broader operational procedures regarding agency representation. A client confidentiality policy, while important for protecting client information, isn't specified as a required document like the office agency policy. Lastly, a conflict of interest policy is typically more focused on the ethical practices of individual agents rather than the brokerage as a whole. Therefore, having an office agency policy is essential for establishing consistent operational guidelines and maintaining compliance with Idaho's real estate regulations.*

## 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](mailto:hello@examzify.com).

Or visit your dedicated course page for more study tools and resources:

<https://idahorealestate.examzify.com>

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

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