

Indiana Real Estate Commission Statutes and Rules Practice Test (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 experience is required for a member of the Indiana Real Estate Commission?**
 - A. At least two years in real estate**
 - B. At least three years in real estate**
 - C. At least five years in real estate**
 - D. No experience required**
- 2. Which of the following is NOT a responsibility of the Indiana Real Estate Commission?**
 - A. Regulating real estate professionals**
 - B. Setting price limits for properties**
 - C. Providing education requirements for licensing**
 - D. Enforcing real estate laws**
- 3. Which entity is responsible for enforcing real estate regulations in Indiana?**
 - A. The Indiana Real Estate Commission**
 - B. The Indiana Bureau of Licensing and Regulatory Services**
 - C. The Indiana Department of Revenue**
 - D. The Indiana Attorney General's Office**
- 4. How long are real estate licenses valid before they must be renewed in Indiana?**
 - A. 1 year**
 - B. 2 years**
 - C. 3 years**
 - D. 5 years**
- 5. How many members are there in the Indiana Real Estate Commission?**
 - A. 5 members**
 - B. 7 members**
 - C. 9 members**
 - D. 11 members**

- 6. What is the primary purpose of Indiana's License Law?**
- A. To ensure brokers are licensed**
 - B. To protect the public and ensure fair transactions**
 - C. To generate revenue for the government**
 - D. To establish fees for licensing**
- 7. What must be included in all advertisements for properties in Indiana?**
- A. The selling price of the property**
 - B. The broker's name and the brokerage name**
 - C. The date the property was listed**
 - D. Contact information for the seller only**
- 8. What must an out-of-state broker do to conduct business in Indiana?**
- A. Obtain an Indiana real estate license**
 - B. Work with a licensed Indiana broker**
 - C. Both A and B**
 - D. Only register their business**
- 9. Which of the following is a primary duty of the Indiana Real Estate Commission?**
- A. Creating local real estate laws**
 - B. Issuing and renewing real estate licenses**
 - C. Managing real estate investments**
 - D. Conducting real estate market analysis**
- 10. Which of the following is an example of incompetent practice by a real estate licensee?**
- A. Offering a discount on commission fees**
 - B. Guaranteeing property appreciation based on historical trends**
 - C. Providing legal advice on property matters**
 - D. Soliciting business outside of regulated hours**

Answers

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

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Explanations

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1. What experience is required for a member of the Indiana Real Estate Commission?

- A. At least two years in real estate**
- B. At least three years in real estate**
- C. At least five years in real estate**
- D. No experience required**

A member of the Indiana Real Estate Commission is required to have at least five years of experience in real estate. This requirement ensures that the individuals making regulatory and policy decisions about the real estate industry have ample knowledge and expertise. Having multiple years of experience enables members to understand the complexities of real estate transactions, market dynamics, and the various legal aspects involved. It also fosters a comprehensive perspective on the challenges and opportunities within the real estate sector, allowing them to serve the interests of both industry professionals and consumers effectively. In addition to ensuring qualified oversight of the real estate market, this experience requirement reflects the Commission's commitment to maintaining high professional standards in the real estate industry in Indiana.

2. Which of the following is NOT a responsibility of the Indiana Real Estate Commission?

- A. Regulating real estate professionals**
- B. Setting price limits for properties**
- C. Providing education requirements for licensing**
- D. Enforcing real estate laws**

The selection indicating that setting price limits for properties is not a responsibility of the Indiana Real Estate Commission is correct. The Commission's primary role includes regulating real estate professionals, providing educational requirements for licensing, and enforcing real estate laws to ensure compliance and professionalism within the industry. Setting price limits for properties falls outside the scope of the Commission's authority. The real estate market operates on supply and demand principles, and the Commission does not intervene in market pricing. Instead, their focus is on licensing practices, ethical behavior, and legal compliance among real estate agents and brokers.

3. Which entity is responsible for enforcing real estate regulations in Indiana?

- A. The Indiana Real Estate Commission**
- B. The Indiana Bureau of Licensing and Regulatory Services**
- C. The Indiana Department of Revenue**
- D. The Indiana Attorney General's Office**

The Indiana Real Estate Commission is the primary entity responsible for enforcing real estate regulations in the state. This commission oversees the licensing of real estate professionals, establishes standards of practice, and ensures compliance with Indiana's real estate laws. It operates under the authority of the Indiana Code and is tasked with protecting public interest by enforcing statutory and regulatory requirements. The commission plays a vital role in regulating real estate practices, and its functions include investigating complaints, imposing penalties, and taking disciplinary actions against licensees who violate laws or regulations. As such, the Indiana Real Estate Commission is essential for maintaining the integrity of the real estate profession in Indiana. While other entities like the Bureau of Licensing and Regulatory Services may have a broader regulatory role, and the Attorney General's Office may handle legal proceedings on behalf of the state, the specific responsibility for enforcement of real estate regulations lies with the Indiana Real Estate Commission. The Department of Revenue's functions are generally centered around tax collection and do not encompass the enforcement of real estate laws.

4. How long are real estate licenses valid before they must be renewed in Indiana?

- A. 1 year**
- B. 2 years**
- C. 3 years**
- D. 5 years**

In Indiana, real estate licenses are valid for a period of two years before they must be renewed. This duration is set by the Indiana Real Estate Commission to ensure that real estate professionals remain current with industry practices, regulations, and continuing education requirements. The renewal process typically involves completing a specified number of continuing education hours to maintain knowledge of the evolving real estate landscape and to uphold professional standards in the field. This two-year renewal period helps maintain the integrity of the profession and ensures that licensed real estate agents and brokers are adequately prepared to serve their clients effectively. Understanding this renewal requirement is crucial for anyone pursuing a career in real estate in Indiana, as it impacts their ability to practice legally and remain compliant with state regulations.

5. How many members are there in the Indiana Real Estate Commission?

- A. 5 members
- B. 7 members**
- C. 9 members
- D. 11 members

The Indiana Real Estate Commission is composed of seven members. This structure is established to ensure a balance of perspectives and expertise within the commission, which plays a critical role in overseeing the licensing and regulation of real estate professionals in the state. The inclusion of various stakeholders helps to maintain a standard of professionalism and ethical conduct within the industry. This seven-member composition allows for a diverse range of opinions and experiences, enhancing the commission's ability to make informed decisions regarding real estate practices and regulations in Indiana.

6. What is the primary purpose of Indiana's License Law?

- A. To ensure brokers are licensed
- B. To protect the public and ensure fair transactions**
- C. To generate revenue for the government
- D. To establish fees for licensing

The primary purpose of Indiana's License Law is to protect the public and ensure fair transactions. This law establishes the framework through which real estate professionals operate, aiming to provide consumers with a level of confidence when engaging in real estate transactions. By requiring licenses for brokers and agents, the law mandates that these professionals meet specific educational and ethical standards. This not only helps uphold the integrity of the real estate market but also safeguards consumers from potential fraud or unethical practices. Moreover, the law creates a regulatory environment that fosters transparency and accountability in transactions, ultimately benefiting the public and maintaining the reputation of the real estate profession. While other aspects, such as generating revenue or establishing fees, are related to the broader functioning of the law, they are secondary to its main purpose of consumer protection and ensuring fair dealings in the real estate market.

7. What must be included in all advertisements for properties in Indiana?

- A. The selling price of the property**
- B. The broker's name and the brokerage name**
- C. The date the property was listed**
- D. Contact information for the seller only**

In Indiana, all advertisements for properties must include the broker's name and the brokerage name. This requirement ensures that consumers can easily identify who is responsible for the advertisement and the transaction. It promotes transparency in real estate practices and helps the public understand which professional is representing the property in question. By including the broker's name and brokerage name in advertisements, it creates a sense of trust and accountability. It also aligns with regulatory standards set forth by the Indiana Real Estate Commission, which seeks to safeguard the interests of consumers while maintaining ethical practices among real estate professionals. Other aspects mentioned, such as the selling price, listing date, or seller's contact information, are not mandated specifically for all advertisements. This highlights the importance of ensuring that advertisements comply with established regulations to maintain professionalism in the real estate industry.

8. What must an out-of-state broker do to conduct business in Indiana?

- A. Obtain an Indiana real estate license**
- B. Work with a licensed Indiana broker**
- C. Both A and B**
- D. Only register their business**

To conduct business in Indiana, an out-of-state broker must both obtain an Indiana real estate license and work with a licensed Indiana broker. The requirement to have a license ensures that the out-of-state broker meets the state's educational and ethical standards for real estate practices. This regulation protects consumers by ensuring that all real estate transactions adhere to Indiana laws and standards. Additionally, by partnering with a licensed Indiana broker, the out-of-state broker gains access to local market knowledge, compliance with state-specific regulations, and guidance through the local processes involved in buying and selling property. This collaboration is crucial as it helps to ensure that all activities conducted comply with Indiana's real estate laws, which may differ from those of the broker's home state. Together, these requirements ensure that out-of-state brokers operate within Indiana's regulatory framework, protecting both the brokers and the consumers they serve.

9. Which of the following is a primary duty of the Indiana Real Estate Commission?

- A. Creating local real estate laws**
- B. Issuing and renewing real estate licenses**
- C. Managing real estate investments**
- D. Conducting real estate market analysis**

The Indiana Real Estate Commission plays a crucial role in regulating the real estate profession within the state. One of its primary duties is to issue and renew real estate licenses. This function ensures that individuals practicing real estate have met certain qualifications and adhere to the standards required to operate legally and ethically within Indiana. Issuing licenses is foundational to maintaining the integrity of the real estate market. By establishing criteria for licensure, including education and examination requirements, the Commission helps protect consumers from unqualified practitioners. The renewal process also serves as a mechanism for ensuring that licensed individuals continue their education and stay updated on changes in laws and regulations impacting real estate. Other duties, such as creating local real estate laws, fall outside the Commission's scope, as laws are typically established at the state legislative level. Similarly, managing real estate investments and conducting market analyses are responsibilities that would lie with individual investors or private companies rather than a regulatory body like the Commission. Therefore, the focus on licensing directly aligns with the Commission's mandate to promote professionalism and protect public interest in the realm of real estate.

10. Which of the following is an example of incompetent practice by a real estate licensee?

- A. Offering a discount on commission fees**
- B. Guaranteeing property appreciation based on historical trends**
- C. Providing legal advice on property matters**
- D. Soliciting business outside of regulated hours**

Guaranteeing property appreciation based on historical trends is an example of incompetent practice by a real estate licensee because it misrepresents the nature of real estate investments. Real estate markets are influenced by a multitude of variables, including economic conditions, location, and market demand, and no professional can predict future values with certainty. By assuring a client that their property will appreciate based on past trends, the licensee is not adhering to professional standards or providing realistic and accurate information, which can mislead clients and potentially lead to financial loss. This behavior also undermines the trust and integrity expected from a real estate professional. In contrast, offering a discount on commission fees and soliciting business outside of regulated hours may raise ethical considerations, but they do not inherently reflect incompetence. Providing legal advice on property matters strays into the legal realm, which requires a different set of credentials, but does not necessarily imply incompetence in real estate practice itself.

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://inrealestatecommissionstatutes.examzify.com>

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