

INDIANA REAL ESTATE COMMISSION STATUTES AND RULES PRACTICE TEST (SAMPLE) STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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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. How is the Real Estate Recovery Fund funded?**
 - A. Through annual government allocations
 - B. Through a portion of the fees collected from real estate license applications
 - C. Through voluntary contributions from licensees
 - D. By real estate commission fines
- 2. Which of the following is a requirement for maintaining a real estate license in Indiana?**
 - A. Continuing education credits
 - B. None; no ongoing requirements exist
 - C. Paying a one-time fee
 - D. Selling a minimum number of properties annually
- 3. A broker in Indiana can be associated with how many managing brokers?**
 - A. Only one managing broker
 - B. Two managing brokers
 - C. As many as they wish
 - D. Three managing brokers
- 4. Which type of listing agreement provides the most protection to the real estate agent?**
 - A. Open listing agreement
 - B. Exclusive right-to-sell listing agreement
 - C. Exclusive agency listing agreement
 - D. Net listing agreement
- 5. Which sanction is NOT available to the Indiana Real Estate Commission when disciplining a licensee?**
 - A. Suspending membership from the Realtor Board
 - B. Revoking the real estate license
 - C. Imposing a monetary fine
 - D. Issuing a reprimand

- 6. How are disputes handled by the Indiana Real Estate Commission?**
- A. Through mediation only
 - B. Through an administrative hearing process
 - C. By arbitration by a third party
 - D. Through negotiation between the parties involved
- 7. In terms of property affected by a murder, how is it classified?**
- A. Psychologically affected
 - B. A standard category
 - C. Not affected
 - D. Legally affected
- 8. How many district commissioners are part of the Indiana Real Estate Commission?**
- A. 7 district commissioners
 - B. 9 district commissioners
 - C. 11 district commissioners
 - D. 10 district commissioners
- 9. What is necessary for all real estate advertising in Indiana?**
- A. It must be flashy and eye-catching
 - B. It must comply with state laws
 - C. It must include agent photos
 - D. It must feature virtual tours
- 10. How long does a real estate licensee have to renew their license after expiration in Indiana?**
- A. 30 days
 - B. 60 days
 - C. 90 days
 - D. Six months

Answers

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

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Explanations

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1. How is the Real Estate Recovery Fund funded?

- A. Through annual government allocations
- B. Through a portion of the fees collected from real estate license applications**
- C. Through voluntary contributions from licensees
- D. By real estate commission fines

The Real Estate Recovery Fund is funded primarily through a portion of the fees collected from real estate license applications. This means that when individuals apply for their real estate licenses, a part of the fee they pay goes directly into this fund. The purpose of the fund is to provide financial assistance to individuals who have suffered losses due to the wrongful acts of real estate licensees. This connection between license application fees and the funding of the Recovery Fund ensures that the fund has a steady source of income, directly linked to the real estate industry. Other funding methods, such as government allocations or voluntary contributions, are not the primary mechanisms for creating this fund. Similarly, while real estate commission fines may contribute to various financial aspects of the commission's operations, they are not specifically designated for the Recovery Fund. Thus, the reliance on license application fees is key to understanding how the fund is sustained.

2. Which of the following is a requirement for maintaining a real estate license in Indiana?

- A. Continuing education credits**
- B. None; no ongoing requirements exist
- C. Paying a one-time fee
- D. Selling a minimum number of properties annually

In Indiana, maintaining a real estate license does require the completion of continuing education credits. This requirement is in place to ensure that real estate professionals stay abreast of current laws, regulations, and best practices in the industry. Continuing education helps licensees refresh their knowledge and adapt to changes that may affect their practices, thereby promoting professionalism and competency within the field. The other options do not accurately reflect the requirements for maintaining a real estate license in Indiana. For instance, stating that there are no ongoing requirements would be incorrect, as continuing education is mandated. Similarly, a one-time fee does not address the necessity for ongoing education, and while there's no minimum number of properties that must be sold annually to maintain a license, licensees must engage in educational activities consistently throughout their license period.

3. A broker in Indiana can be associated with how many managing brokers?

- A. Only one managing broker**
- B. Two managing brokers
- C. As many as they wish
- D. Three managing brokers

In Indiana, a broker can only be associated with one managing broker at a time. This regulation ensures a clear line of accountability and oversight within the real estate transaction process. The relationship between a broker and their managing broker is crucial for the supervision of real estate activities and adherence to legal and ethical standards in the industry. By limiting a broker to one managing broker, the Indiana Real Estate Commission promotes professionalism and reduces potential conflicts of interest that could arise from multiple affiliations. This single association also simplifies the reporting structure and fosters a stable environment for learning and development for the broker under the managing broker's guidance. Therefore, the restriction to one managing broker helps maintain integrity within the real estate profession in Indiana.

4. Which type of listing agreement provides the most protection to the real estate agent?

- A. Open listing agreement
- B. Exclusive right-to-sell listing agreement**
- C. Exclusive agency listing agreement
- D. Net listing agreement

The exclusive right-to-sell listing agreement provides the most protection to the real estate agent because it guarantees that the agent will receive a commission regardless of who sells the property. In this type of agreement, the seller agrees to work exclusively with the designated agent during the listing period. This means that even if the seller finds a buyer on their own or if another agent brings a buyer, the original agent is still entitled to their commission. This level of assurance incentivizes agents to invest time and resources into marketing the property effectively, knowing they will be compensated for their efforts. In contrast, open listing agreements do not offer any exclusivity, allowing multiple agents to list the same property without a guarantee of compensation for any one agent. Exclusive agency listing agreements provide some level of protection but still allow the seller to sell the property themselves without paying any commission to the agent. Net listing agreements can lead to various complications regarding commission calculations and can be less favorable for the agent, as they can potentially limit the earnings compared to a standard commission rate structure.

5. Which sanction is NOT available to the Indiana Real Estate Commission when disciplining a licensee?

- A. Suspending membership from the Realtor Board**
- B. Revoking the real estate license
- C. Imposing a monetary fine
- D. Issuing a reprimand

The correct answer identifies a sanction that the Indiana Real Estate Commission does not have the authority to impose when disciplining a licensee. The commission is specifically responsible for regulating real estate licenses, maintaining standards of conduct, and ensuring that licensees adhere to the laws governing real estate practice in the state. A license suspension or revocation, monetary fines, and issuing reprimands are measures that fall within the jurisdiction of the Indiana Real Estate Commission. These actions are meant to address violations of real estate laws and regulations while ensuring public trust in the profession. Revoking a license permanently bars an individual from operating in the real estate industry, while suspending a license puts a temporary halt to a licensee's ability to engage in real estate activities. Monetary fines serve as a financial deterrent against misconduct, and reprimands provide formal notices of disapproval that can impact a licensee's record. On the other hand, suspending membership from the Realtor Board is not directly within the commission's purview, as Realtor Boards operate independently under the National Association of Realtors and have their own rules and regulations. Therefore, actions such as suspending board membership, which pertains more to organizational membership than to the licensing of real estate professionals, are outside the commission's authority regarding disciplinary actions

6. How are disputes handled by the Indiana Real Estate Commission?

- A. Through mediation only
- B. Through an administrative hearing process**
- C. By arbitration by a third party
- D. Through negotiation between the parties involved

Disputes handled by the Indiana Real Estate Commission are processed through an administrative hearing process. This method allows for structured and formal resolution of issues that arise within the real estate industry, providing a legal framework for the commission to evaluate the evidence and testimony from both parties involved in the dispute. The administrative hearing process is designed to ensure fairness and adherence to the rules and regulations governing real estate practices in Indiana. During this process, a hearing officer may be appointed to oversee the proceedings, allowing for an impartial resolution based on established legal standards. This approach not only aids in maintaining compliance but also works to protect the interests of all parties involved, including real estate professionals and consumers. Using an administrative hearing instead of other methods like mediation, arbitration, or informal negotiations ensures that disputes regarding licensing, ethics, or compliance with Indiana real estate law are addressed with the authority and oversight required for regulatory matters. This structured process helps to uphold the integrity of the real estate profession and reinforces the importance of adherence to established rules and practices.

7. In terms of property affected by a murder, how is it classified?

- A. Psychologically affected**
- B. A standard category
- C. Not affected
- D. Legally affected

The classification of property that has been affected by a murder is termed "psychologically affected." This designation stems from the pervasive impact such an event can have on the perception of the property by prospective buyers and renters. While the physical structure of the property remains unchanged, the stigma attached to it due to the historical event can influence its marketability, value, and the overall perception in the eyes of potential occupants. Psychologically affected properties are those where a significant emotional or psychological charge is attached due to tragic events that have occurred on the premises. This category acknowledges that while the structure itself is intact and legally viable for sale or rent, the reputation may suffer considerable detriment, leading to potential challenges in the real estate market. Other classifications like "standard category" or "not affected" do not accurately convey the unique implications associated with properties linked to violent events. Similarly, "legally affected" might suggest a change in property rights or ownership status, which does not apply in cases of emotional or psychological impact stemming from historical events. Thus, the term "psychologically affected" aptly encapsulates the nuances involved in real estate transactions concerning properties where a murder has occurred.

8. How many district commissioners are part of the Indiana Real Estate Commission?

- A. 7 district commissioners
- B. 9 district commissioners**
- C. 11 district commissioners
- D. 10 district commissioners

The Indiana Real Estate Commission is comprised of 9 district commissioners. This structure is designed to ensure that various regions of Indiana are represented within the commission, allowing for regional issues and concerns to be addressed effectively. Each district commissioner serves to provide insights based on their district's specific real estate market conditions and challenges, facilitating a more comprehensive approach to managing real estate regulations within the state. This number is established to balance representation and ensure adequate oversight across Indiana's diverse real estate landscape.

9. What is necessary for all real estate advertising in Indiana?

- A. It must be flashy and eye-catching
- B. It must comply with state laws**
- C. It must include agent photos
- D. It must feature virtual tours

In Indiana, all real estate advertising must comply with state laws, which is essential to ensure that advertisements are truthful, not misleading, and contain all necessary disclosures. This compliance is important for protecting consumers and maintaining the integrity of the real estate profession. State laws might dictate what information must be included in advertisements, how certain claims can be made, and regulations regarding the use of pricing and property descriptions. Meeting these legal requirements helps to standardize practices across the industry, promotes ethical conduct among real estate professionals, and ultimately enhances trust in the real estate market. Other choices like being flashy or featuring virtual tours, while they may enhance appeal, are not mandated by law and therefore are not necessary conditions for compliance.

10. How long does a real estate licensee have to renew their license after expiration in Indiana?

- A. 30 days
- B. 60 days
- C. 90 days**
- D. Six months

In Indiana, a real estate licensee has a grace period of 90 days after the expiration of their license to renew it without facing significant penalties. This allows licensees some flexibility to complete their renewal requirements, such as continuing education, without having to go through the entire licensing process from the beginning. Choosing this option reflects an understanding of the state's regulations that aim to facilitate the continued practice of real estate, provided that licensees take timely action within that 90-day window. This rule is designed to assist professionals in maintaining their qualifications while ensuring that they adhere to state guidelines. The other options suggest either shorter or longer renewal periods that do not align with the established regulations in Indiana.

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!

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