

IOWA REAL ESTATE 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. Which of the following actions can lead to disciplinary action against a broker?**
 - A. Providing referrals to other agencies
 - B. Failing to supervise salespersons adequately
 - C. Participating in charity events
 - D. Offering educational seminars
- 2. What is a requirement to obtain an Iowa salesperson's license?**
 - A. Having a college degree in real estate
 - B. Obtaining a sponsoring broker's signature on the application form
 - C. Completion of an online course on real estate regulations
 - D. Passing a background check
- 3. A person who passed the real estate examination is eligible for what immediately after?**
 - A. Immediate licensure
 - B. Application submission for licensing
 - C. Undertaking further training
 - D. Negotiating sales deals
- 4. By what date must the second half of the previous fiscal year's real estate tax be paid to avoid delinquency in Iowa?**
 - A. January 31
 - B. February 28
 - C. March 31
 - D. March 15
- 5. Who administers real estate license law in Iowa?**
 - A. Iowa Real Estate Association
 - B. Iowa Real Estate Commission
 - C. Iowa Department of Commerce
 - D. Federal Housing Authority

- 6. What happens if a salesperson fails to renew their Iowa real estate license?**
- A. The license automatically extends for six months
 - B. The license becomes inactive and cannot be used
 - C. The license is revoked immediately
 - D. There is a grace period for renewal without penalty
- 7. How many licensed and unlicensed members comprise the real estate commission in Iowa?**
- A. Five licensed and two unlicensed
 - B. Four licensed and three unlicensed
 - C. Six licensed and one unlicensed
 - D. Three licensed and four unlicensed
- 8. What can a salesperson legally provide to a buyer in a consensual dual agency agreement?**
- A. Appraisal reports of the property
 - B. Comparable market data about the seller's property
 - C. Internal commission structures
 - D. Confidential negotiations with the seller
- 9. What is the fiscal year duration in Iowa?**
- A. January 1 through December 31
 - B. April 1 through March 31
 - C. July 1 through June 30
 - D. October 1 through September 30
- 10. When should a broker discuss agency during a listing presentation?**
- A. After the listing agreement is signed
 - B. At the time of specific assistance
 - C. During the preparation of marketing materials
 - D. At the first open house

Answers

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

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Explanations

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1. Which of the following actions can lead to disciplinary action against a broker?

- A. Providing referrals to other agencies
- B. Failing to supervise salespersons adequately**
- C. Participating in charity events
- D. Offering educational seminars

Failing to supervise salespersons adequately can lead to disciplinary action against a broker because it is a fundamental responsibility of a broker to ensure that their agents are operating within the law and adhering to ethical standards. Proper supervision ensures that salespersons are compliant with real estate regulations, follow ethical practices, and provide accurate information to clients. If a broker neglects this responsibility, it can result in illegal practices, misrepresentation, or unethical behavior by the salespersons, which could harm clients and damage the integrity of the real estate profession as a whole. Regulatory bodies expect brokers to maintain oversight to protect consumers and uphold industry standards, and a failure to do so may result in disciplinary measures, including fines or license suspension. Engaging in actions such as providing referrals to other agencies, participating in charity events, or offering educational seminars are generally acceptable practices that do not inherently lead to disciplinary action, as long as they comply with legal parameters and ethical standards.

2. What is a requirement to obtain an Iowa salesperson's license?

- A. Having a college degree in real estate
- B. Obtaining a sponsoring broker's signature on the application form**
- C. Completion of an online course on real estate regulations
- D. Passing a background check

To obtain an Iowa salesperson's license, it is essential to have a sponsoring broker's signature on the application form. This requirement ensures that the applicant is aligned with an established brokerage that will provide the necessary support, mentorship, and supervision as they begin their career in real estate. The sponsoring broker has a vested interest in the training and conduct of salespersons associated with their brokerage and must confirm that the new licensee is part of their business before the license can be processed. While having a college degree in real estate, completing an online course on regulations, or passing a background check may be beneficial or required components in various contexts, none of these elements substitute for the need for a sponsoring broker's involvement, which is fundamental to the licensing process in Iowa. Having a broker ensures adherence to industry standards and compliance with state regulations.

3. A person who passed the real estate examination is eligible for what immediately after?

- A. Immediate licensure
- B. Application submission for licensing**
- C. Undertaking further training
- D. Negotiating sales deals

The correct answer pertains to the steps following the successful completion of the real estate examination. After passing the exam, the individual must submit an application for licensing. This step is crucial because passing the exam demonstrates that the person has the necessary knowledge and skills for real estate practice, but it does not automatically grant them a license. Submitting the application is a formal requirement where the candidate provides necessary information, pays any applicable fees, and may need to meet additional state requirements. This process is a pivotal part of the transition from examination to licensure, ensuring that all candidates meet state standards and regulations before they can practice real estate professionally. Immediate licensure is not granted solely based on passing the exam, as there are usually additional steps and possible waiting periods involved. Undertaking further training or negotiating sales deals would also not be immediate actions allowed until the individual is officially licensed. Thus, the application submission for licensing is the correct step to take right after passing the examination.

4. By what date must the second half of the previous fiscal year's real estate tax be paid to avoid delinquency in Iowa?

- A. January 31
- B. February 28
- C. March 31**
- D. March 15

In Iowa, the key date for the payment of the second half of the previous fiscal year's real estate tax to avoid delinquency is March 31. This deadline is established by state law to ensure that property owners have ample time to pay their taxes following the initial half's payment, which is typically due in the fall of the previous year. By setting the deadline at the end of March, it allows property owners to organize their finances effectively and ensures the local jurisdictions have the necessary funds for services. Paying real estate taxes on time is critical, as failure to do so can lead to penalties and interest charges, as well as potential liens on the property. Therefore, being aware of these deadlines is crucial for property owners in Iowa to maintain good standing regarding their real estate obligations.

5. Who administers real estate license law in Iowa?

- A. Iowa Real Estate Association
- B. Iowa Real Estate Commission**
- C. Iowa Department of Commerce
- D. Federal Housing Authority

The Iowa Real Estate Commission is responsible for administering real estate license law in Iowa. This regulatory body oversees the licensing and conduct of real estate professionals within the state. Its primary functions include establishing and enforcing rules and regulations, ensuring compliance with statutory requirements, and providing guidance and education for licensees. The Commission also investigates complaints and enforces disciplinary actions when necessary, which helps maintain integrity and professionalism in the real estate industry. By having a specialized entity like the Iowa Real Estate Commission, the state ensures that real estate practices adhere to the laws designed to protect consumers and promote a fair marketplace. In contrast, the Iowa Real Estate Association primarily focuses on advocacy, education, and support for its members rather than the regulation of the profession. The Iowa Department of Commerce oversees a broader array of professional licensing and commerce-related matters but does not specifically administer real estate license law. The Federal Housing Authority, meanwhile, provides insurance for loans and does not play a role in state-level licensing or oversight of real estate professionals.

6. What happens if a salesperson fails to renew their Iowa real estate license?

- A. The license automatically extends for six months
- B. The license becomes inactive and cannot be used**
- C. The license is revoked immediately
- D. There is a grace period for renewal without penalty

When a salesperson in Iowa fails to renew their real estate license, the primary consequence is that the license becomes inactive and cannot be utilized for real estate transactions. This means the individual is not legally permitted to engage in activities that require a valid real estate license, such as representing clients in buying or selling properties. Inactive status impacts the salesperson's ability to conduct business and generate income from real estate services until the license is properly renewed. While there may be provisions for renewal or a grace period, in this context, failing to renew leads directly to an inactive status rather than an automatic extension or immediate revocation. The inability to work actively in real estate emphasizes the importance of timely renewal to maintain active licensing status.

7. How many licensed and unlicensed members comprise the real estate commission in Iowa?

- A. Five licensed and two unlicensed**
- B. Four licensed and three unlicensed
- C. Six licensed and one unlicensed
- D. Three licensed and four unlicensed

The correct answer reflects the composition of the Iowa Real Estate Commission, which consists of five licensed members and two unlicensed members. This structure ensures that the commission has a balance of expertise and diverse perspectives. The licensed members typically bring extensive experience and knowledge in real estate practices, while the unlicensed members can represent the public interest without the influence of professional bias. This balance is crucial for maintaining fair regulation and oversight of real estate practices within the state. Understanding the roles of both licensed and unlicensed members can help recognize the commission's commitment to upholding ethical standards and protecting consumer interests in real estate transactions.

8. What can a salesperson legally provide to a buyer in a consensual dual agency agreement?

- A. Appraisal reports of the property
- B. Comparable market data about the seller's property**
- C. Internal commission structures
- D. Confidential negotiations with the seller

A salesperson operating under a consensual dual agency agreement can legally provide comparable market data about the seller's property to a buyer. In this situation, the salesperson represents both parties in the transaction—the seller and the buyer. It is essential for the salesperson to maintain transparency while navigating the interests of both clients. Providing comparable market data is permissible because it helps the buyer make an informed decision based on how the seller's property stacks up against similar properties in the market. This type of information is valuable and does not violate the confidentiality expected between the agent and the seller since it consists of general market statistics rather than sensitive information. Additionally, the other options present challenges or conflicts in terms of agency duties and confidentiality obligations. For example, appraisal reports might require the appraiser's permission to share, while sharing internal commission structures would breach the fiduciary duty of a dual agent by revealing confidential financial agreements. Lastly, engaging in confidential negotiations with the seller on behalf of the buyer would create a conflict of interest and violate the trust that the seller has placed in the agent.

9. What is the fiscal year duration in Iowa?

- A. January 1 through December 31
- B. April 1 through March 31
- C. July 1 through June 30**
- D. October 1 through September 30

The fiscal year duration in Iowa runs from July 1 through June 30. This timeframe aligns with the state's budgeting processes and the fiscal year for public entities, such as local governments and school districts. By using this period, Iowa effectively manages its budgetary planning and resource allocation, facilitating a timely review and adjustment of financial matters ahead of the start of the next fiscal year. Understanding this structure is essential for those entering the real estate field in Iowa, as it influences various financial aspects related to property management, funding for infrastructure, and budget planning for housing projects.

10. When should a broker discuss agency during a listing presentation?

- A. After the listing agreement is signed
- B. At the time of specific assistance**
- C. During the preparation of marketing materials
- D. At the first open house

Discussing agency at the time of specific assistance is essential because it establishes the relationship and obligations between the broker and the client. During specific assistance, the broker is actively providing help and advice about the property, which is the ideal opportunity to clarify how the agency relationship works, including the duties owed to the client. This timing ensures that the client understands the broker's role, what to expect from the relationship, and the responsibilities the broker has, thus fostering trust and transparency. It also aligns with legal requirements to disclose agency relationships before significant assistance is provided, ensuring that the client is fully informed from the very beginning of the professional relationship. In contrast, discussing agency after the listing agreement is signed does not offer the client the opportunity to understand their relationship with the broker or the implications of the agency before they are committed to the agreement. Discussing it during the preparation of marketing materials or at an open house may not provide adequate context or details about the agency relationship, potentially leading to misunderstandings about the broker's role and the services being provided.

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://iowarealestate.examzify.com>

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

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