

Louisiana Broker Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	6
Answers	9
Explanations	11
Next Steps	17

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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. Don't worry about getting everything right, 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, and take breaks to retain information better.

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.

7. Use Other Tools

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!

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Questions

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- 1. Which statement describes the consequence of a franchiser's registration being revoked?**
 - A. Selling can resume after one month**
 - B. It can still conduct sales through registered agents**
 - C. No sales can occur in that project**
 - D. Sales must be conducted under new management**
- 2. What must the commission provide to a licensee before taking disciplinary action?**
 - A. A detailed investigation report**
 - B. An opportunity to be heard in person or by counsel**
 - C. A list of the commission's members**
 - D. The history of previous license violations**
- 3. In real estate, what does the term 'designated agent' refer to?**
 - A. A licensee representing multiple clients**
 - B. A licensee assisting clients without consent**
 - C. A licensee appointed as the agent of a client by the broker**
 - D. A broker acting independently**
- 4. What is an important feature of accounts managed by a licensed real estate broker?**
 - A. Brokers can only manage residential properties**
 - B. Brokers have the ability to sell securities**
 - C. Brokers cannot manage client accounts**
 - D. Brokers must be licensed to handle transactions**
- 5. When computing area by area, where should agents begin?**
 - A. With the total area of land**
 - B. With each separate building**
 - C. With the living area**
 - D. With basement areas**

6. What is NOT considered part of the Gross Living Area?

- A. Finished attics**
- B. Finished basements under specific conditions**
- C. Unfinished basements**
- D. Second story finished areas**

7. What is the term for mixing personal funds with client or agency funds?

- A. Commingling**
- B. Escrow**
- C. Fraud**
- D. Misappropriation**

8. Which of the following is an example of a unit of comparison in real estate?

- A. Living Area**
- B. School District**
- C. Market Trends**
- D. Location**

9. Which two aspects are not specified requirements of the ANSI standard?

- A. Storage and Lighting**
- B. Lighting and Ventilation**
- C. Flooring and Layout**
- D. Heating and Cooling**

10. What type of agreement allows a real estate broker to use trademarks for marketing purposes among several brokers?

- A. Partnership Agreement**
- B. Franchise Agreement**
- C. Marketing Agreement**
- D. Cooperative Agreement**

Answers

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

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Explanations

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1. Which statement describes the consequence of a franchiser's registration being revoked?

- A. Selling can resume after one month**
- B. It can still conduct sales through registered agents**
- C. No sales can occur in that project**
- D. Sales must be conducted under new management**

The correct answer is that no sales can occur in that project after a franchiser's registration is revoked. This consequence is significant because the revocation indicates that the franchiser is no longer compliant with the legal requirements necessary to operate, often due to violations of state or federal laws regarding franchise sales. Consequently, the inability to conduct sales effectively suspends any operations tied to that franchiser until the issues are resolved, ensuring consumer protection and adherence to regulatory standards. In this context, the other options do not align with the seriousness of a registration revocation. Resuming sales after a month or continuing sales through registered agents suggests that the franchiser could operate under certain privileges, which is not the case following revocation. Additionally, conducting sales under new management implies that a reorganization allows for continued operation, which contradicts the immediate effect of a registration revocation. Hence, the only accurate representation of the situation is that all sales related to the franchiser must cease until the registration is restored or addressed appropriately.

2. What must the commission provide to a licensee before taking disciplinary action?

- A. A detailed investigation report**
- B. An opportunity to be heard in person or by counsel**
- C. A list of the commission's members**
- D. The history of previous license violations**

The commission must provide a licensee with an opportunity to be heard in person or by counsel before taking disciplinary action. This procedural right is fundamental to ensuring due process. It allows the licensee to present their side of the story, defend against any allegations, and provide evidence or arguments that may affect the outcome of the disciplinary proceedings. Offering a chance for the licensee to be heard embodies the principles of fairness and transparency within regulatory processes. It ensures that disciplinary actions are based on a full understanding of the circumstances surrounding the case, rather than on incomplete information or assumptions. This right to a hearing helps uphold the integrity of the licensing system and fosters trust in the regulatory body's decisions.

3. In real estate, what does the term 'designated agent' refer to?

- A. A licensee representing multiple clients**
- B. A licensee assisting clients without consent**
- C. A licensee appointed as the agent of a client by the broker**
- D. A broker acting independently**

The term 'designated agent' refers specifically to a licensee who has been appointed by a broker to act as the agent for a particular client. This arrangement allows the designated agent to have a focused fiduciary duty to the specific client while being part of a brokerage that may have multiple agents. The appointment is typically made within the framework of the brokerage and is designed to ensure that the client receives dedicated representation. This concept is crucial in real estate because it helps to clarify agency relationships and responsibilities. In situations where a brokerage represents both buyers and sellers, having designated agents ensures that each party is treated fairly and that their interests are exclusively represented by someone who is accountable to them. Other options present misunderstandings of agency relationships. Representing multiple clients simultaneously does not align with the exclusive duty owed to a client by a designated agent. Assisting clients without consent undermines the essential element of mutual agreement in any agency relationship. Lastly, while a broker can act independently, that doesn't encapsulate the designated agent role, which is specifically about individual licensees acting on behalf of a client under the brokerage umbrella.

4. What is an important feature of accounts managed by a licensed real estate broker?

- A. Brokers can only manage residential properties**
- B. Brokers have the ability to sell securities**
- C. Brokers cannot manage client accounts**
- D. Brokers must be licensed to handle transactions**

An important feature of accounts managed by a licensed real estate broker is that brokers must be licensed to handle transactions. This licensure ensures that brokers have met the education, experience, and legal requirements necessary to practice in the field of real estate. It protects consumers by ensuring that brokers are knowledgeable about real estate laws, ethical practices, and the complexities of property transactions. The licensing process includes assessments of a broker's ability to handle various aspects of real estate, such as contracts, negotiations, and market analysis. This regulatory framework is vital for maintaining standards in the industry and providing a level of security and trust between brokers and their clients. The other options do not accurately represent the key features related to the management of accounts by real estate brokers. For instance, brokers can manage both residential and commercial properties, and they do not have the authority to sell securities, which are regulated under a different set of laws requiring specific licensing related to finance and investments. Furthermore, brokers are indeed allowed to manage client accounts, provided they have the necessary license, emphasizing the crucial relationship between licensure and the management of accounts.

5. When computing area by area, where should agents begin?

- A. With the total area of land
- B. With each separate building
- C. With the living area**
- D. With basement areas

Beginning with the living area when computing area by area is appropriate because the living area represents the primary functional space where occupants will spend their time. This approach focuses on the usable parts of a property that influence its value and appeal to potential buyers or renters. Moreover, the living area is typically the most important metric in real estate transactions, as it directly correlates with how properties are marketed and assessed in terms of livability and comfort. By starting the calculations here, agents create a clearer picture of a property's total utility and marketability, which is crucial for determining pricing and inventory effectively. While other areas, such as the total land area, separate buildings, and basement spaces, play a role in property evaluation, they often do not carry the same weight in everyday real estate considerations. By prioritizing the living area, agents can ensure they are providing clients with the most relevant information regarding the property's value and usability.

6. What is NOT considered part of the Gross Living Area?

- A. Finished attics
- B. Finished basements under specific conditions
- C. Unfinished basements**
- D. Second story finished areas

The concept of Gross Living Area (GLA) pertains to the measurement of a residential property's livable space. It typically includes areas that are heated, finished, and suitable for year-round use. The correct response highlights unfinished basements as not being part of the GLA, which is due to several key factors. Unfinished basements generally lack the necessary elements that define livable space. They often do not have adequate heating, ventilation, or easy access, which are crucial for ensuring comfort and safety for extended use. Additionally, they are usually not designed with the same standards for living conditions that apply to areas classified as part of the gross living area, such as finished attics or second-story areas. In contrast, finished attics and finished areas in the second story can contribute to GLA because they meet the essential criteria of being heated and usable living spaces. Finished basements may be included in the GLA under certain conditions, provided they have been designed according to the standards for habitable living, distinguishing them from their unfinished counterparts.

7. What is the term for mixing personal funds with client or agency funds?

- A. Commingling**
- B. Escrow**
- C. Fraud**
- D. Misappropriation**

The term for mixing personal funds with client or agency funds is commingling. This practice is strictly prohibited in the real estate industry and is considered unethical because it can lead to improper financial management and compromise the security of client funds. Commingling can occur when a broker or agent does not maintain clear financial boundaries, such as depositing client trust funds into a personal bank account rather than keeping them separate in a designated client trust account. Maintaining separate accounts for client and personal funds helps ensure that client money is protected and can be accounted for properly. The importance of recognizing and adhering to this principle is crucial for maintaining trust and integrity in professional relationships within the real estate business.

8. Which of the following is an example of a unit of comparison in real estate?

- A. Living Area**
- B. School District**
- C. Market Trends**
- D. Location**

A unit of comparison in real estate refers to a standard measurement or metric that can be used to evaluate or compare properties. The living area of a property is a clear example, as it provides a quantitative measurement that can be used to assess the size and value of residential properties. By comparing the living area of different homes, real estate professionals can determine how much space is available and how it relates to other properties in the market. In contrast, while school districts, market trends, and location are important factors that influence property value and desirability, they do not serve as standardized metrics that allow for direct numerical comparison in the same way that living area does. School districts can affect the value but are more qualitative in nature. Market trends reflect broader economic conditions but don't quantify individual property characteristics. Similarly, location is a critical aspect of real estate valuation, but it encompasses a range of qualitative elements rather than a single unit of measurement.

9. Which two aspects are not specified requirements of the ANSI standard?

- A. Storage and Lighting**
- B. Lighting and Ventilation**
- C. Flooring and Layout**
- D. Heating and Cooling**

The correct answer highlights that the ANSI standard does not specify requirements for lighting and ventilation. The ANSI (American National Standards Institute) standard is primarily focused on various building and construction needs, but it does not dive into specifics about every possible element, such as lighting and ventilation, which might be under the purview of other codes or standards. Lighting is often dictated by different regulations depending on the type of building and its intended use. Similarly, ventilation requirements can be informed by local building codes that prioritize functionality, air quality, and energy efficiency, rather than directly referencing ANSI. Therefore, the choice pointing out lighting and ventilation correctly identifies areas that ANSI does not make explicit requirements for, while other aspects like storage or heating are often addressed more explicitly within various standards or codes. Understanding this distinction is crucial for comprehending how different regulations and standards interact within the broader framework of building practices.

10. What type of agreement allows a real estate broker to use trademarks for marketing purposes among several brokers?

- A. Partnership Agreement**
- B. Franchise Agreement**
- C. Marketing Agreement**
- D. Cooperative Agreement**

A franchise agreement is specifically designed to allow a real estate broker to operate under a larger brand's trademarks and marketing strategies. This type of agreement not only grants the broker the right to use the brand's name but also involves access to a suite of marketing materials and established business practices that enhance the broker's ability to attract customers. In a franchise setup, the broker pays fees and adheres to certain operational standards set forth by the franchisor in exchange for utilizing its trademarks and benefits of brand recognition. This facilitates marketing across multiple locations and brokers, creating a consistent brand presence that can leverage the franchise's overall reputation in the marketplace. While the other types of agreements mentioned may facilitate some form of collaboration or business relationship, they do not inherently provide the specific rights to use established trademarks like a franchise agreement does. A partnership agreement signifies a personal or legal partnership among entities, a marketing agreement generally refers to promotional strategies without trademark rights, and a cooperative agreement may involve collaboration but lacks the formal brand association provided by franchising. Thus, the franchise agreement stands out as the correct choice for this question.

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://louisianabroker.examzify.com>

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

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