

Maryland Real Estate License Practice Exam (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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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. How many hours of instruction are required for the Maryland real estate sales license?**
 - A. 30 hours**
 - B. 60 hours**
 - C. 90 hours**
 - D. 120 hours**
- 2. What type of license is required to act as a real estate broker in Maryland?**
 - A. A sales license**
 - B. A broker's license**
 - C. An agent's license**
 - D. A partnership license**
- 3. What is NOT an option for Dorothy regarding the earnest money dispute?**
 - A. File a claim with the Maryland Real Estate Commission**
 - B. Hold the funds until both parties authorize their disbursement**
 - C. Deposit the funds with the courts to decide their fate**
 - D. Hold onto the funds until a court orders their disbursement**
- 4. What additional coursework does Tiara need to complete in order to renew her license?**
 - A. Three hours of ethics and three more hours of electives**
 - B. Three hours of ethics and 1.5 more hours of electives**
 - C. 1.5 hours of ethics and three more hours of electives**
 - D. 1.5 hours of ethics and 1.5 more hours of electives**
- 5. What must Estrella ensure when creating her business cards?**
 - A. Business cards are exempt from advertising laws.**
 - B. Her name must appear as it is on her license.**
 - C. Including a business picture and contact number is mandatory.**
 - D. Her license number must be listed on the business cards.**

6. What document must Kavita display at her open house in addition to the listing information?

- A. A copy of the signed listing agreement**
- B. MREC's open house notice**
- C. Her real estate license**
- D. A copy of the signed Understanding Whom Real Estate Agents Represent form**

7. What is the main purpose of a home warranty?

- A. To cover decorative enhancements in the home**
- B. To provide insurance against fire damage**
- C. To cover the repair or replacement of home systems and appliances**
- D. To protect against property taxes**

8. What is considered an unfair trade practice in Maryland real estate?

- A. Providing a property disclosure**
- B. Misrepresentation of property facts**
- C. Charging lower commissions**
- D. Offering incentives to buyers**

9. Whose license must be displayed in the brokerage office where Sandrine is the broker with five salespersons?

- A. Only the licenses of the five salespersons must be displayed.**
- B. Only Sandrine's license is required to be displayed; the salesperson licenses must be retained.**
- C. Sandrine's license must be displayed, as well as the licenses of the five salespersons.**
- D. None are required to be displayed.**

10. Define "depreciation" in real estate terms.

- A. An increase in property value over time**
- B. A decrease in a property's value over time due to market trends**
- C. A gradual reduction in property value often due to wear and tear**
- D. A tax deduction related to property**

Answers

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

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Explanations

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1. How many hours of instruction are required for the Maryland real estate sales license?

- A. 30 hours**
- B. 60 hours**
- C. 90 hours**
- D. 120 hours**

To obtain a Maryland real estate sales license, an individual is required to complete 60 hours of instruction. This mandated educational program covers essential topics necessary for understanding real estate principles, practices, and laws applicable within the state. The 60-hour curriculum ensures that prospective agents are well-prepared with the knowledge needed to effectively assist clients in the real estate market. This requirement is designed to provide a solid foundation for conducting real estate business, including understanding legal obligations and ethical considerations in the field. In comparison, other options suggest different hour requirements that do not align with the state-mandated guidelines. Therefore, the specific focus on the 60-hour training ensures that candidates meet the required educational standards set by Maryland's real estate regulatory body.

2. What type of license is required to act as a real estate broker in Maryland?

- A. A sales license**
- B. A broker's license**
- C. An agent's license**
- D. A partnership license**

To act as a real estate broker in Maryland, a broker's license is required. This license enables individuals to operate a real estate business, which includes overseeing real estate agents and managing real estate transactions. The requirements for obtaining a broker's license are more extensive compared to those for a sales license or agent's license, as it typically involves additional experience, education, and passing a more comprehensive examination. A sales license is primarily intended for individuals who wish to work as real estate agents under the supervision of a licensed broker. This is different from a broker's license, which signifies that the individual is qualified to operate independently. An agent's license, often referring to the same as a sales license, also does not provide the authority to broker real estate transactions autonomously. Lastly, a partnership license is not a recognized license type in real estate practice; licenses are typically issued to individuals rather than partnerships or entities. Thus, a broker's license is the correct and necessary credential for anyone seeking to function as a real estate broker in Maryland.

3. What is NOT an option for Dorothy regarding the earnest money dispute?

- A. File a claim with the Maryland Real Estate Commission**
- B. Hold the funds until both parties authorize their disbursement**
- C. Deposit the funds with the courts to decide their fate**
- D. Hold onto the funds until a court orders their disbursement**

The correct answer indicates that filing a claim with the Maryland Real Estate Commission is not an appropriate option for Dorothy regarding the earnest money dispute. The Maryland Real Estate Commission primarily deals with issues related to licensing and regulatory compliance, rather than mediation of disputes between parties involved in real estate transactions. In earnest money disputes, the focus is on resolving the disagreement between the buyer and seller, typically through mediation, disbursement of funds, or court intervention. Holding the funds until both parties authorize their disbursement is a common practice to ensure that the money is distributed fairly and only with mutual consent. Similarly, depositing the funds with the courts allows the legal system to determine the rightful owner based on the details of the dispute. Holding onto the funds until a court orders their disbursement also indicates a lawful approach to dealing with the matter while waiting for judicial clarification. These methods aim to protect the interests of both parties involved in the transaction.

4. What additional coursework does Tiara need to complete in order to renew her license?

- A. Three hours of ethics and three more hours of electives**
- B. Three hours of ethics and 1.5 more hours of electives**
- C. 1.5 hours of ethics and three more hours of electives**
- D. 1.5 hours of ethics and 1.5 more hours of electives**

In Maryland, real estate license renewal requires specific continuing education components to ensure that licensees stay current with industry standards and ethical practices. The renewal process entails completing a specified number of hours in both ethics and various electives. The correct choice indicates that Tiara needs to complete three hours of ethics, which is necessary for maintaining a high standard of professionalism and upholding the integrity of the real estate profession. Additionally, the requirement includes 1.5 hours of electives, allowing Tiara to explore other relevant topics that enhance her knowledge and skills. Together, these courses contribute to her ongoing education and comply with the Maryland real estate commission's guidelines for license renewal. The distinction in the other options comes from incorrect combinations of ethics and elective hours, failing to align with the established requirements for renewal. By fulfilling the requirements outlined in the correct choice, Tiara will ensure that her license remains active and that she is equipped with the knowledge necessary to operate effectively within the field.

5. What must Estrella ensure when creating her business cards?

- A. Business cards are exempt from advertising laws.**
- B. Her name must appear as it is on her license.**
- C. Including a business picture and contact number is mandatory.**
- D. Her license number must be listed on the business cards.**

When creating business cards, Estrella must ensure that her name appears exactly as it is on her real estate license. This requirement upholds the standards of professionalism and transparency within the real estate industry. Displaying her name correctly helps foster trust with clients and maintains consistency across her branding, ensuring that potential clients can easily identify her as a licensed professional. While including the license number is a common requirement in many jurisdictions, the essential point here is that her name must match her official license. This ensures compliance with regulatory standards while also reinforcing her credibility as a licensed real estate agent. It is crucial for agents to uphold the integrity of their information, and this specific requirement supports that goal.

6. What document must Kavita display at her open house in addition to the listing information?

- A. A copy of the signed listing agreement**
- B. MREC's open house notice**
- C. Her real estate license**
- D. A copy of the signed Understanding Whom Real Estate Agents Represent form**

In Maryland, it is required for real estate agents to display the Maryland Real Estate Commission's (MREC) open house notice at open house events. This document serves to inform the public about the nature of the open house and outlines relevant legal disclosures and consumer protections. It helps ensure transparency for potential buyers and provides them with important information about the property and the agent's responsibilities. Displaying the MREC's open house notice is crucial for compliance with state regulations, as it demonstrates that the agent is adhering to the legal requirements governing real estate practices. This helps build trust with attendees and promotes a professional image. Other documents, such as the signed listing agreement, the agent's real estate license, and the Understanding Whom Real Estate Agents Represent form, may be important in different contexts but are not specifically required to be on display during an open house in Maryland. The focus here is to ensure that attendees are well-informed about the nature of the open house and the agent's role, which is why the MREC open house notice is the correct choice.

7. What is the main purpose of a home warranty?

- A. To cover decorative enhancements in the home
- B. To provide insurance against fire damage
- C. To cover the repair or replacement of home systems and appliances**
- D. To protect against property taxes

The main purpose of a home warranty is to cover the repair or replacement of home systems and appliances. This type of warranty serves as a service contract that homeowners can purchase to alleviate unexpected costs associated with the failure of essential home components, such as plumbing, electrical systems, heating and cooling systems, and major appliances like refrigerators and washers. Home warranties are designed to protect homeowners from the financial burden of repairs or replacements that often arise from regular wear and tear. They provide peace of mind, especially for new homeowners who may not be familiar with the condition of the systems and appliances within their homes. By offering this coverage, home warranties allow homeowners to budget for maintenance costs more predictably, providing an added layer of financial protection that is distinct from traditional home insurance, which typically covers events such as fire damage or theft. The other options listed do not align with the primary function of a home warranty, as they either pertain to specific topics not covered by such warranties or are outside the scope of maintenance and repair responsibilities.

8. What is considered an unfair trade practice in Maryland real estate?

- A. Providing a property disclosure
- B. Misrepresentation of property facts**
- C. Charging lower commissions
- D. Offering incentives to buyers

Misrepresentation of property facts is considered an unfair trade practice in Maryland real estate because it involves providing false or misleading information about a property that can influence a buyer's decision. This type of conduct undermines the trust that is essential in real estate transactions and can lead to legal ramifications for agents or brokers involved. When real estate professionals inaccurately represent features such as property size, condition, or any aspects that materially affect a buyer's decision, they are essentially deceiving the customer. This violation not only contravenes ethical standards but also breaches state laws designed to protect consumers in real estate dealings. Licensing authorities take such misconduct seriously, as it can lead to punitive actions, including fines or the loss of a real estate license. In contrast, providing a property disclosure is part of a seller's responsibility to inform potential buyers about known issues. Charging lower commissions is a legitimate practice that can be part of competitive business strategies, while offering incentives to buyers, such as closing cost assistance, is a common marketing approach that is generally permissible as long as it is disclosed appropriately.

9. Whose license must be displayed in the brokerage office where Sandrine is the broker with five salespersons?

- A. Only the licenses of the five salespersons must be displayed.**
- B. Only Sandrine's license is required to be displayed; the salesperson licenses must be retained.**
- C. Sandrine's license must be displayed, as well as the licenses of the five salespersons.**
- D. None are required to be displayed.**

In Maryland, while it is generally a good practice to display the licenses of all affiliated salespersons and the broker within the brokerage office for transparency and professionalism, there are specific regulations regarding the mandatory display of these licenses. The correct response states that none of the licenses are required to be displayed. It reflects the regulations that may allow brokers the option to keep their and their salespersons' licenses in a manner other than public display. This option can benefit both the broker's privacy and personal preference regarding office organization. Even though it may be advantageous from a branding and credibility standpoint to display these licenses, the law does not mandate it as an essential requirement for compliance, which supports the reasoning behind choosing this response. Always remember to check local regulations and brokerage policies, which may impose additional requirements for the display of licenses.

10. Define "depreciation" in real estate terms.

- A. An increase in property value over time**
- B. A decrease in a property's value over time due to market trends**
- C. A gradual reduction in property value often due to wear and tear**
- D. A tax deduction related to property**

In real estate, depreciation refers to the gradual reduction in a property's value over time, often as a result of wear and tear from usage, age, or physical deterioration. This concept recognizes that all properties experience some level of decline in value due to various factors including physical condition, obsolescence, and external market influences. As a property ages, it may require repairs and maintenance to retain its value, and if these are not addressed, the property could deteriorate further and lose value. The understanding of depreciation is crucial for real estate professionals as it affects investment analysis and property valuations. Being aware that depreciation can occur due to physical deterioration helps appraisers, investors, and owners to more accurately assess a property's worth and plan for its maintenance and potential future sales. Other concepts related to property value, such as appreciation (an increase in property value) or tax deductions related to depreciation in the context of taxes, while relevant to the broader field of real estate, do not capture the specific definition of depreciation as it pertains to value decline from physical causes.

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://marylandrealestate.examzify.com>

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

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