

Maryland Real Estate License Practice Exam (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. Which Maryland law addresses lead paint disclosure in property sales?**
 - A. The Maryland Lead Law**
 - B. The Fair Housing Act**
 - C. The Maryland Homeowners Association Act**
 - D. The Maryland Property Management Act**
- 2. What can lead to the revocation of a Maryland real estate license based on actions taken in another state?**
 - A. Automatic revocation due to action in another state**
 - B. Revocation only after a full hearing in Maryland**
 - C. It can only happen if there is proof of repeated violations**
 - D. It only applies if federal law is breached**
- 3. In Maryland listing agreements, which item is typically required but might have been omitted by Bella?**
 - A. The seller's preferred closing date**
 - B. The seller's mortgage balance**
 - C. The commission amount**
 - D. The property's square footage**
- 4. Which three classes are protected under Maryland law that are not federally recognized?**
 - A. Disability, age, and marital status.**
 - B. Familial status, sexual preference, and marital status.**
 - C. Marital status, sexual orientation, and gender identity.**
 - D. Age, disability, and employment status.**
- 5. Which act governs real estate transactions in Maryland?**
 - A. Maryland Economic Development Act**
 - B. Maryland Real Property Code**
 - C. Maryland Business Code**
 - D. Maryland Consumer Protection Act**

- 6. Which of the following is NOT a cause for the Maryland Real Estate Commission to summarily suspend a licensee's real estate license?**
- A. The licensee is convicted of a felony.**
 - B. The licensee fails to promptly account for trust funds.**
 - C. The licensee fails to provide trust fund account records to the commission.**
 - D. The licensee fails to disclose personal interest in a transaction.**
- 7. Which entity should Marjorie contact to propose extending the license renewal period to four years?**
- A. The state attorney general**
 - B. The Maryland Association of REALTORS®**
 - C. The Department of Labor, Licensing and Regulation**
 - D. The Maryland Real Estate Commission**
- 8. Under what condition can a buyer typically request a home inspection?**
- A. At any time before the property listing**
 - B. Usually during the due diligence period before closing**
 - C. After making an offer**
 - D. Only after the closing**
- 9. How does Maryland law define a "leasehold estate"?**
- A. An ownership interest in a property for a lifetime**
 - B. An interest in real estate that allows the tenant to occupy and use the property for a specified time**
 - C. A right to sell property**
 - D. A temporary ownership stake in a property**

10. Which statement is true regarding Mark's situation with the Guaranty Fund?

- A. Mark can file a claim with the Guaranty Fund, but he can only recover \$50,000 of his loss.**
- B. Mark can file a claim with the Guaranty Fund to recover his loss.**
- C. Mark cannot file a claim with the Guaranty Fund because the property purchased was in Pennsylvania.**
- D. Mark can file a claim with the Guaranty Fund to recover his loss, but only after he has exhausted other methods.**

Answers

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

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Explanations

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1. Which Maryland law addresses lead paint disclosure in property sales?

- A. The Maryland Lead Law**
- B. The Fair Housing Act**
- C. The Maryland Homeowners Association Act**
- D. The Maryland Property Management Act**

The Maryland Lead Law specifically addresses lead paint disclosure in property sales, mandating that sellers disclose any known lead paint hazards to potential buyers. This law is crucial because it is designed to protect public health, particularly the health of young children who are more susceptible to the harmful effects of lead exposure. By requiring sellers to provide information about lead paint, the law ensures that buyers can make informed decisions regarding properties, especially in homes built before 1978 when lead-based paint was commonly used. This regulatory framework includes necessary documentation and lead hazard reduction measures that need to be followed during the sale process. The other options, while relevant in their own contexts, do not specifically deal with lead paint disclosures. The Fair Housing Act focuses on preventing discrimination in housing, the Maryland Homeowners Association Act relates to the governance of homeowners associations, and the Maryland Property Management Act governs property management practices. Each of these laws plays a distinct role in the realm of real estate but does not address the specific issue of lead paint in property sales like the Maryland Lead Law does.

2. What can lead to the revocation of a Maryland real estate license based on actions taken in another state?

- A. Automatic revocation due to action in another state**
- B. Revocation only after a full hearing in Maryland**
- C. It can only happen if there is proof of repeated violations**
- D. It only applies if federal law is breached**

The choice indicating automatic revocation due to actions taken in another state is correct because Maryland allows for disciplinary action, including revocation of a real estate license, based on violations in other jurisdictions. If a real estate professional's license in another state is revoked or suspended due to misconduct, Maryland can take reciprocal disciplinary action. This process is intended to maintain consistent ethical standards and ensure that licensees uphold a certain level of professionalism, regardless of where their infractions occur. While some jurisdictions may require a hearing or additional proof before revoking a license, Maryland's approach facilitates quicker action based on the findings of another state's regulatory body. This ensures that real estate professionals who may have demonstrated unprofessional behavior in one state are not permitted to operate in Maryland, thereby protecting consumers and maintaining the integrity of the local real estate market.

3. In Maryland listing agreements, which item is typically required but might have been omitted by Bella?

- A. The seller's preferred closing date**
- B. The seller's mortgage balance**
- C. The commission amount**
- D. The property's square footage**

In Maryland listing agreements, the commission amount is typically a required component that outlines the payment structure for the broker's services. This is fundamentally important because it establishes how much the seller will agree to pay in terms of commission fees if the property is sold, which is critical information for all parties involved in the transaction. Having this detail explicitly stated in the listing agreement helps to avoid disputes later on regarding compensation and ensures that the broker has clear authorization to act on behalf of the seller. Additionally, without an agreed-upon commission amount, a broker may not feel confident in investing their time and resources into marketing the property or negotiating on the seller's behalf. In contrast, while the seller's preferred closing date, mortgage balance, and property's square footage are important details that can aid in facilitating the sale, they may not necessarily be mandated to be included in the listing agreement itself. These aspects can be part of other discussions or documents but do not have the same essential requirement as the commission amount in a formal listing agreement.

4. Which three classes are protected under Maryland law that are not federally recognized?

- A. Disability, age, and marital status.**
- B. Familial status, sexual preference, and marital status.**
- C. Marital status, sexual orientation, and gender identity.**
- D. Age, disability, and employment status.**

In Maryland, specific classes are protected under state law that extend beyond federal protections, particularly in the realm of housing and real estate. The correct answer highlights a set of classes that are recognized at the state level but do not have federal equivalents. Marital status provides protection against discrimination based on whether a person is single, married, divorced, or widowed. This is important as it ensures individuals cannot be denied housing opportunities or subjected to unfair treatment based on their marital situation. Sexual orientation encompasses protections for individuals regardless of whether they identify as heterosexual, homosexual, bisexual, or otherwise. This recognition is crucial for fostering an inclusive environment where people are not ostracized or discriminated against due to their sexuality. Gender identity offers protections to individuals based on their gender expression or identity, which may not necessarily align with their biological sex. This recognition is vital in ensuring equal rights for all individuals, irrespective of their gender identity. These protections enhance the framework of anti-discrimination laws in Maryland, addressing specific societal needs that are not covered federally, and help create a more equitable real estate environment within the state.

5. Which act governs real estate transactions in Maryland?

- A. Maryland Economic Development Act**
- B. Maryland Real Property Code**
- C. Maryland Business Code**
- D. Maryland Consumer Protection Act**

The Maryland Real Property Code is the primary legislative framework that governs real estate transactions in the state. This code encompasses a broad spectrum of laws that deal specifically with property rights, ownership, and the intricacies of real estate transactions, including buying, selling, leasing, and managing real estate properties. It ensures that all practices comply with both local and state laws, providing essential guidelines for real estate professionals and consumers alike. Within this code, various sections address different aspects of real estate, such as the rights of landlords and tenants, property transfer processes, and requirements for real estate agents. By establishing clear regulations, the Maryland Real Property Code aims to protect the interests of all parties involved in real estate transactions, thereby promoting fairness and transparency in the marketplace. Other acts, such as the Maryland Economic Development Act or the Maryland Business Code, focus on economic and business regulations rather than the specific regulations that pertain to real estate transactions. Similarly, the Maryland Consumer Protection Act addresses consumer rights and protections but does not delve into the particulars of real estate laws. Therefore, the Maryland Real Property Code stands out as the authoritative source for real estate regulations in the state.

6. Which of the following is NOT a cause for the Maryland Real Estate Commission to summarily suspend a licensee's real estate license?

- A. The licensee is convicted of a felony.**
- B. The licensee fails to promptly account for trust funds.**
- C. The licensee fails to provide trust fund account records to the commission.**
- D. The licensee fails to disclose personal interest in a transaction.**

The option indicating that a licensee's failure to disclose personal interest in a transaction is not a cause for the Maryland Real Estate Commission to summarily suspend a licensee's real estate license is accurate. This scenario typically involves matters of ethics and may lead to disciplinary action, such as fines or license sanctions over time, but it does not usually warrant immediate suspension without due process. In contrast, the other circumstances listed represent significant breaches of conduct or legal requirements that could jeopardize the integrity of real estate practices and the interests of clients. For instance, being convicted of a felony indicates serious legal issues that undermine the trust required in the real estate profession. Similarly, failing to promptly account for trust funds or provide necessary trust fund account records indicates a lack of responsibility and potential mismanagement of client funds, which can be cause for immediate intervention by the commission to protect consumers and maintain regulatory standards in the industry.

7. Which entity should Marjorie contact to propose extending the license renewal period to four years?

- A. The state attorney general**
- B. The Maryland Association of REALTORS®**
- C. The Department of Labor, Licensing and Regulation**
- D. The Maryland Real Estate Commission**

Marjorie should contact the Maryland Real Estate Commission to propose extending the license renewal period to four years. The Maryland Real Estate Commission is the authoritative body responsible for regulating real estate practices within the state. It oversees licensing requirements, including the duration of licenses and renewal periods. The Commission has the power to make changes to policies and procedures relating to real estate licensure. By reaching out to them, Marjorie can directly present her proposal, and they would be in a position to consider and discuss the potential amendment to the renewal period. In contrast, the other entities listed either do not have the jurisdiction to make such changes or serve different roles. For example, the state attorney general primarily deals with legal matters and enforcement of laws, rather than direct changes to licensing processes. The Maryland Association of REALTORS® is a trade organization that supports real estate professionals but does not have regulatory authority. The Department of Labor, Licensing and Regulation is a broader umbrella agency that oversees various professional boards but would likely direct Marjorie back to the Maryland Real Estate Commission for a specific proposal regarding real estate licenses.

8. Under what condition can a buyer typically request a home inspection?

- A. At any time before the property listing**
- B. Usually during the due diligence period before closing**
- C. After making an offer**
- D. Only after the closing**

A buyer typically requests a home inspection during the due diligence period before closing because this is the stage in the real estate transaction where the buyer has the opportunity to investigate the property thoroughly. This inspection serves to uncover any potential issues with the home, such as structural concerns, pest infestations, or system malfunctions, giving the buyer insight into the condition of the property before finalizing the purchase. The due diligence period is crucial as it allows the buyer to make informed decisions. If significant problems are found during the inspection, the buyer may choose to negotiate repairs or withdraw their offer. This period is designed to protect the buyer's interests and ensure they are fully aware of what they are committing to. While it is technically possible for a buyer to request an inspection at other times, such as after making an offer or at any time before the property listing, those scenarios can complicate negotiations and limit the buyer's leverage. Additionally, inspections requested after closing would not serve any practical purpose, as the buyer would already own the property. Thus, the most appropriate time for a buyer to request a home inspection is during the due diligence period.

9. How does Maryland law define a "leasehold estate"?

- A. An ownership interest in a property for a lifetime
- B. An interest in real estate that allows the tenant to occupy and use the property for a specified time**
- C. A right to sell property
- D. A temporary ownership stake in a property

The definition of a "leasehold estate" under Maryland law focuses on the relationship between the landlord and the tenant. It represents an interest in real estate that permits the tenant to occupy and use the property for a predetermined duration, as stated in the lease agreement. This arrangement typically involves the tenant paying rent to the landlord for access to the property during the lease term. Leasehold estates are distinct from ownership interests, as they do not confer ownership of the property itself but rather a right to use and enjoy the property. The other options do not accurately describe a leasehold estate. An ownership interest in a property for a lifetime refers to a life estate, which is significantly different from a leasehold arrangement. A right to sell property indicates ownership, whereas a leasehold does not give the tenant the right to sell the property since they do not own it. A temporary ownership stake is misleading because leasehold estates are not ownership stakes; they are rights to use the property for a limited time as agreed upon in the lease. Therefore, the option correctly capturing the essence of a leasehold estate is the one that states it is an interest allowing the tenant to occupy and use the property for a specified time.

10. Which statement is true regarding Mark's situation with the Guaranty Fund?

- A. Mark can file a claim with the Guaranty Fund, but he can only recover \$50,000 of his loss.
- B. Mark can file a claim with the Guaranty Fund to recover his loss.
- C. Mark cannot file a claim with the Guaranty Fund because the property purchased was in Pennsylvania.**
- D. Mark can file a claim with the Guaranty Fund to recover his loss, but only after he has exhausted other methods.

In terms of the Guaranty Fund, the most significant aspect to consider is the jurisdictional limitations associated with the fund's coverage. The Guaranty Fund is established to protect consumers in certain transactions involving licensed Maryland real estate professionals. Therefore, if a transaction occurs outside of Maryland, such as purchasing a property in Pennsylvania, the protections of the Maryland Guaranty Fund do not apply. By understanding this, it becomes clear why Mark cannot file a claim with the Guaranty Fund. Claims are specifically meant for situations that involve licensed acts within the state of Maryland, ensuring that the fund only compensates those affected by transactions governed by Maryland's real estate laws and practices. Hence, Mark's situation involving a property in Pennsylvania falls outside the parameters for recovery through the Guaranty Fund, affirming the accuracy of this answer.

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!