

North Dakota Property Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.

ALL RIGHTS RESERVED.

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	16

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. What can lead to legal proceedings in landlord-tenant disputes?**
 - A. Disagreements resolved amicably**
 - B. Failure of mediation or arbitration**
 - C. Consistent communication**
 - D. Agreement on lease terms**
- 2. In which situation is arbitration most beneficial for resolving disputes?**
 - A. When both parties trust each other**
 - B. When a quick decision is needed**
 - C. When parties prefer to maintain a relationship**
 - D. When disputes are relatively minor**
- 3. If a building under construction is destroyed halfway through construction, how does the state's Valued Policy Law affect the claim?**
 - A. The policy will result in a total loss payout**
 - B. The policy will pay the full policy limit of \$500,000**
 - C. The policy will pay the actual cash value of the loss**
 - D. No payout will occur**
- 4. When do insurance policies issued in this state begin covering the insured?**
 - A. At noon on the day the coverage begins**
 - B. At midnight on the day the coverage begins**
 - C. At 12:01 am on the day the coverage begins**
 - D. At 6:00 am on the day the coverage begins**
- 5. After a fatal car accident, how long do survivors have to start legal action to seek benefits for funeral and burial expenses?**
 - A. 1 year**
 - B. 2 years**
 - C. 3 years**
 - D. 5 years**

- 6. Which of the following is a key aspect of the Fair Housing Act?**
- A. Ensuring no fees are charged for property listings**
 - B. Prohibiting discrimination based on sex, race, or nationality**
 - C. Mandating that properties are sold only to first-time buyers**
 - D. Providing tax benefits to disabled citizens**
- 7. Which document provides a summary of coverage, conditions, limits, and exclusions found in an insurance policy?**
- A. Declarations page**
 - B. Endorsement**
 - C. Manuscript policy**
 - D. Policy endorsement**
- 8. If an insured with a Mobile Homeowners Policy moves their mobile home to prevent damage, how much will the policy pay?**
- A. \$250**
 - B. \$500**
 - C. \$750**
 - D. \$1000**
- 9. An insured whose policy has been in effect for more than 60 days received a notice from his insurer that his policy would be cancelled for nonpayment of premium. What must this notice also include?**
- A. The reason for cancellation**
 - B. The amount of premium due**
 - C. A warning about the consequences**
 - D. A reminder of the grace period**
- 10. What is the standard expiration period for a real estate license in North Dakota?**
- A. One year**
 - B. Two years**
 - C. Three years**
 - D. Five years**

Answers

SAMPLE

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

SAMPLE

Explanations

SAMPLE

1. What can lead to legal proceedings in landlord-tenant disputes?

- A. Disagreements resolved amicably**
- B. Failure of mediation or arbitration**
- C. Consistent communication**
- D. Agreement on lease terms**

Legal proceedings in landlord-tenant disputes can often arise from the failure of mediation or arbitration. Mediation and arbitration are alternative dispute resolution methods that are intended to settle disagreements outside of a courtroom. When these processes do not result in a resolution, the parties may have no choice but to pursue legal action to enforce their rights or seek remedies related to the lease agreement. When mediation fails, it indicates that the parties could not find common ground, leading to unresolved issues such as unpaid rent, property damage, eviction processes, or lease violations. This lack of resolution creates a situation where one party may decide to escalate the matter legally, resulting in formal court proceedings. In contrast, other scenarios such as amicable disagreements, consistent communication, or reaching an agreement on lease terms typically lead to solutions and avoid the need for legal proceedings. These options spotlight cooperation and negotiation, which can effectively mitigate conflicts and sustain healthy landlord-tenant relationships.

2. In which situation is arbitration most beneficial for resolving disputes?

- A. When both parties trust each other**
- B. When a quick decision is needed**
- C. When parties prefer to maintain a relationship**
- D. When disputes are relatively minor**

Arbitration is particularly beneficial when a quick decision is essential for the parties involved in a dispute. The arbitration process typically occurs outside of the traditional court system and can be conducted much more swiftly. This expeditious nature is one of the primary reasons parties may choose arbitration over litigation, especially in time-sensitive situations where delays could lead to further complications or costs. While the other scenarios do present situations where arbitration might also be useful, they do not emphasize the time-sensitive aspect as strongly as the need for a quick decision does. Trusting each other (as in the first option) might ease communication but doesn't accelerate the process. Maintaining a relationship (as in the third option) is valuable, but there are other mechanisms that could also serve that need. Treating disputes as relatively minor (the last option) doesn't inherently necessitate a quick resolution, as it's more about the complexity and stakes involved in the situation. Thus, the emphasis on a rapid outcome solidifies why the focus on urgency makes arbitration particularly advantageous in such cases.

3. If a building under construction is destroyed halfway through construction, how does the state's Valued Policy Law affect the claim?

- A. The policy will result in a total loss payout**
- B. The policy will pay the full policy limit of \$500,000**
- C. The policy will pay the actual cash value of the loss**
- D. No payout will occur**

Under the Valued Policy Law, when a building is destroyed, the loss is often considered a total loss regardless of the stage of completion. This means that in the case of a building under construction, the law stipulates that the insurance payout will be based on the valuation established in the policy. The correct answer indicates that the policy will pay the actual cash value of the loss. This is significant because actual cash value accounts for depreciation and reflects the current worth of the structure rather than a full replacement cost or total loss value. Therefore, if the building is only halfway completed and then destroyed, the loss would be calculated based on the completed portion's value rather than the full coverage amount stated in the policy. This approach helps to ensure that the payout aligns with the actual financial impact incurred by the insured, acknowledging that the building's value would not be equivalent to the full policy limit, particularly when it is not fully constructed. This framework helps prevent situations where policyholders could receive disproportionately high payouts compared to the actual loss suffered.

4. When do insurance policies issued in this state begin covering the insured?

- A. At noon on the day the coverage begins**
- B. At midnight on the day the coverage begins**
- C. At 12:01 am on the day the coverage begins**
- D. At 6:00 am on the day the coverage begins**

The correct answer is that insurance policies issued in North Dakota begin coverage at 12:01 am on the day the coverage is set to start. This timing is significant because it aligns with the convention of marking the beginning of a day. The use of 12:01 am indicates the very first minute of the agreed-upon date for coverage, ensuring that there is no ambiguity about when the protection officially starts. This delineation helps both insurers and policyholders clearly understand the precise moment at which the coverage is activated, preventing any potential disputes regarding claims that could arise during the early hours of the day. Additionally, starting coverage at 12:01 am allows for continuity, as many legal and contractual obligations begin at that point in time. In contrast, the other timings listed, such as noon or 6:00 am, would create gaps or ambiguities in coverage. For instance, starting at noon might leave the insured without coverage for the first half of the day, while 6:00 am would also imply a portion of the day without coverage before the official start time. Thus, the clarity offered by a start time of 12:01 am is essential in the insurance context.

5. After a fatal car accident, how long do survivors have to start legal action to seek benefits for funeral and burial expenses?

- A. 1 year
- B. 2 years**
- C. 3 years
- D. 5 years

In North Dakota, survivors have a window of two years to initiate legal action to seek benefits for funeral and burial expenses following a fatal car accident. This time frame is established under the state's statute of limitations for wrongful death claims, which requires that such actions be filed within two years from the date of the death. This period allows families sufficient time to process their loss and consult with legal professionals to determine the appropriate course of action regarding benefits for funeral and burial expenses. Understanding this two-year deadline is crucial for ensuring that the rights of survivors are protected and that they can receive the necessary financial support during a difficult time. Other time frames mentioned do not align with North Dakota's regulations for wrongful death claims, making them inappropriate options for this particular situation.

6. Which of the following is a key aspect of the Fair Housing Act?

- A. Ensuring no fees are charged for property listings
- B. Prohibiting discrimination based on sex, race, or nationality**
- C. Mandating that properties are sold only to first-time buyers
- D. Providing tax benefits to disabled citizens

The Fair Housing Act is a crucial piece of legislation that aims to eliminate discrimination in housing. It specifically prohibits discrimination based on several protected characteristics, including race, color, religion, sex, national origin, familial status, and disability. By stating that discrimination based on sex, race, or nationality is prohibited, the act promotes equal opportunities in housing for all individuals, regardless of these characteristics. This fundamental principle seeks to ensure that all individuals have the same access to housing opportunities. The other options do not accurately reflect the key aspects of the Fair Housing Act. For instance, the act does not address issues such as fees for property listings, restrict property sales to only first-time buyers, or provide tax benefits to disabled citizens. These concepts are outside the scope of what the Fair Housing Act aims to accomplish and do not contribute to its primary goal of preventing housing discrimination.

7. Which document provides a summary of coverage, conditions, limits, and exclusions found in an insurance policy?

- A. Declarations page**
- B. Endorsement**
- C. Manuscript policy**
- D. Policy endorsement**

The correct choice is the declarations page, which serves as a summary of the coverage, conditions, limits, and exclusions of an insurance policy. This document is typically found at the beginning of the insurance policy and provides essential details that help the insured understand the scope of their coverage. It includes information about the insured property, the insured's name, policy number, coverage limits, and various conditions applicable to the policy. This makes it a crucial reference for policyholders as they navigate their insurance coverage. While endorsements and manuscript policies are important elements in certain situations, they do not serve the same summarizing purpose as the declarations page. An endorsement modifies the terms of the original policy, which may impact coverage but is not a summary in itself, while a manuscript policy refers to a custom insurance policy that does not follow standard forms. The declarations page provides the clear and concise overview necessary for insured individuals or businesses to understand their policy at a glance.

8. If an insured with a Mobile Homeowners Policy moves their mobile home to prevent damage, how much will the policy pay?

- A. \$250**
- B. \$500**
- C. \$750**
- D. \$1000**

In a Mobile Homeowners Policy, if an insured relocates their mobile home to prevent damage, the policy typically includes a coverage provision for such actions. This specific scenario allows for a payment from the policy as part of what is known as "reasonable repairs" or "protection expenses" after a loss has occurred or is imminent. The payment amount for this type of coverage often has a specified limit, reflecting the insurer's commitment to cover the costs associated with immediate preventive measures. In this case, the correct amount covered under the policy is \$500, which aligns with common policy limits for mitigating loss by relocating the mobile home. Understanding this provision is essential as it encourages insured individuals to take reasonable steps to protect their property from potential damage without incurring prohibitive costs, thereby ultimately supporting the long-term aim of risk mitigation inherent in insurance practices.

9. An insured whose policy has been in effect for more than 60 days received a notice from his insurer that his policy would be cancelled for nonpayment of premium. What must this notice also include?

- A. The reason for cancellation**
- B. The amount of premium due**
- C. A warning about the consequences**
- D. A reminder of the grace period**

The correct answer is that the notice must include the amount of premium due. In North Dakota, when an insurer notifies an insured about the cancellation of a policy for nonpayment of premium, the insurer is required to specify the financial obligation that has not been met. This detail is crucial for the insured to understand exactly what is owed to prevent further issues with their coverage. Clear communication of the amount due helps the insured take the necessary steps to remedy the situation, which may include making the payment to avoid cancellation. While the other options relate to important information that could be beneficial to the insured, the specific requirement here is to include the financial aspect - the amount of premium that remains unpaid. This ensures that the insured has a clear understanding of their financial obligation directly linked to the policy's potential cancellation.

10. What is the standard expiration period for a real estate license in North Dakota?

- A. One year**
- B. Two years**
- C. Three years**
- D. Five years**

In North Dakota, the standard expiration period for a real estate license is indeed two years. This means that every real estate professional is required to renew their license after this period. The two-year cycle allows licensees to stay updated with any changes in real estate laws, regulations, and market practices, ensuring that they maintain a standard of competence and professionalism. Keeping the expiration period at two years also encourages licensees to engage in continuing education. Most states have mandated that a certain number of continuing education hours must be completed before renewal. This requirement serves to enhance the knowledge and skills of real estate professionals, ultimately benefiting consumers and promoting a higher standard within the industry. Understanding the renewal process and timeframe is crucial for real estate practitioners, as failure to renew on time can lead to penalties, loss of licensure, or the need to retake licensing exams. Hence, being aware of the two-year expiration period for licenses is an essential aspect of staying compliant in the field of real estate in North Dakota.

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://ndproperty.examzify.com>

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