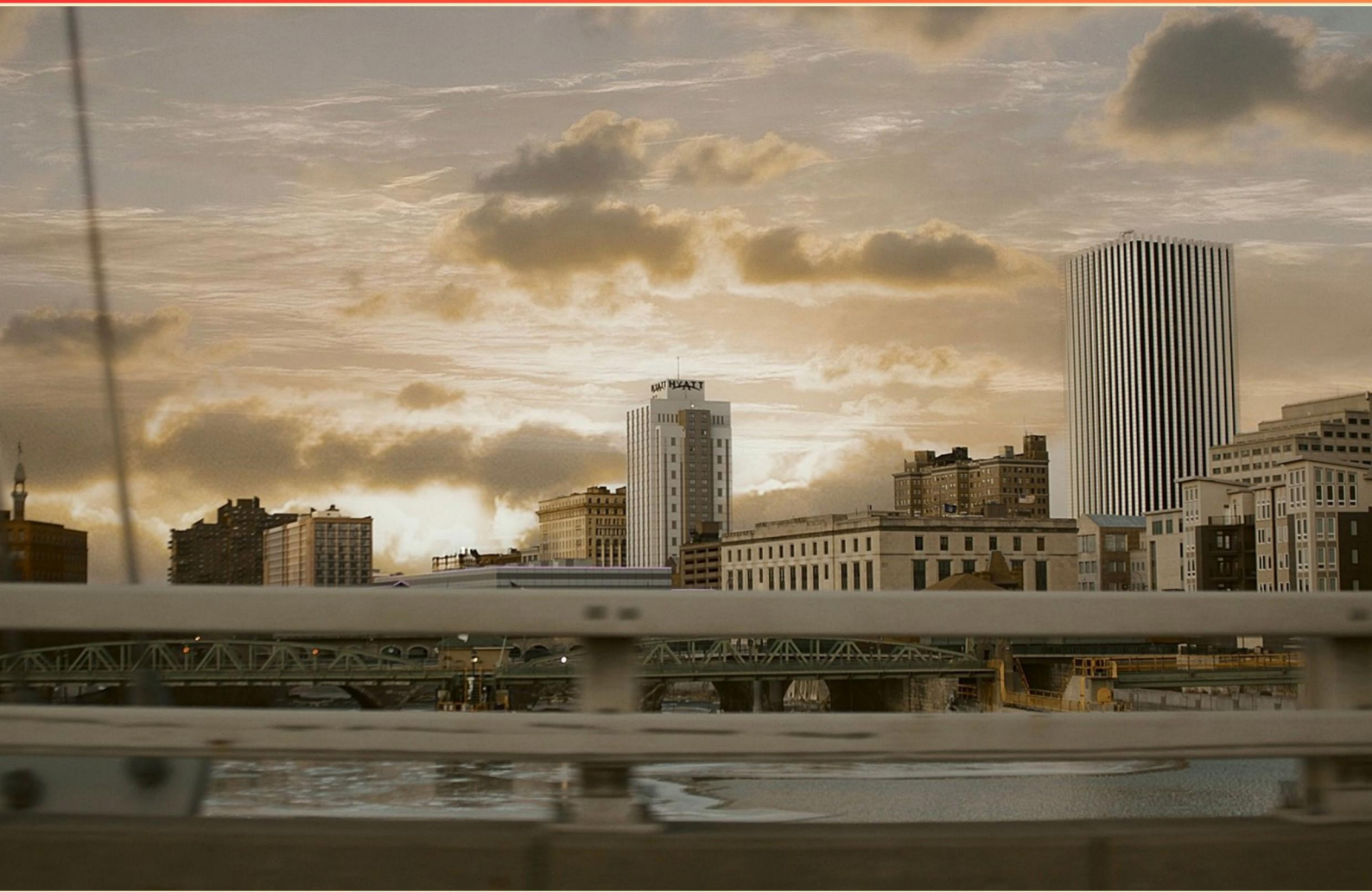


# OHIO REAL ESTATE PRACTICE EXAM (SAMPLE)

## STUDY GUIDE



## SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR  
THE FULL VERSION STUDY GUIDE

<https://ohiorealestate.examzify.com>



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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. What documentation must be provided to buyers if a home was built before 1950?**
  - A. Inspection report
  - B. History of renovations
  - C. Pamphlet on lead-based paint
  - D. Health and safety report
  
- 2. What happens to a listing agreement if the seller dies?**
  - A. It remains valid until the estate is settled
  - B. It automatically transfers to the heirs
  - C. It is terminated and becomes void
  - D. It can be renewed by the estate
  
- 3. What does a Fee Simple Estate represent?**
  - A. A temporary right to use property
  - B. A right to use property with restrictions
  - C. The complete ownership of property
  - D. A shared ownership model
  
- 4. Which appraisal method relies heavily on the current market conditions for comparisons?**
  - A. Cost Approach
  - B. Income Approach
  - C. Sales Comparison Approach
  - D. Depreciation Method
  
- 5. What is required for a listing agreement to be legally binding?**
  - A. Oral agreement
  - B. Written agreement and signatures
  - C. Verbal confirmation and witness
  - D. Notarization

- 6. Which of these options does NOT apply to RESPA regulations?**
- A. Disclosure of settlement costs
  - B. Prohibition of kickbacks
  - C. Monitoring housing discrimination
  - D. Providing loan information disclosure
- 7. On what amount are discount points based during a loan?**
- A. The total purchase price
  - B. The down payment
  - C. Loan amount
  - D. The appraised value
- 8. What is an example of a primary advantage of conventional loans?**
- A. No insurance requirement
  - B. Fixed low interest rates
  - C. High loan-to-value ratios
  - D. No closing costs
- 9. What defines a Purchase Money Mortgage?**
- A. A loan obtained from a bank for home buying
  - B. A mortgage given by the seller to the buyer
  - C. A mortgage from a third-party lender
  - D. Any mortgage with no down payment
- 10. What does blockbusting involve in real estate?**
- A. Encouraging property owners to improve their homes
  - B. Convincing property owners to sell due to fear of changing demographics
  - C. Promoting fair housing practices
  - D. Marketing properties based on their features



## **Answers**

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

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## **Explanations**

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**1. What documentation must be provided to buyers if a home was built before 1950?**

- A. Inspection report
- B. History of renovations
- C. Pamphlet on lead-based paint**
- D. Health and safety report

*If a home was built before 1950, it is crucial to provide buyers with a pamphlet on lead-based paint. Homes built during this time are likely to contain lead-based paint since its use was prevalent until 1978, when regulations began to restrict it due to safety concerns. The pamphlet educates buyers about the hazards of lead exposure, especially for young children, and outlines steps they can take to minimize risks. It is a requirement under federal law known as the Lead-Based Paint Hazard Reduction Act, which mandates that sellers and landlords disclose the potential presence of lead-based paint and provide information regarding its health risks. Providing this information helps protect buyers and ensures they are aware of any potential health implications associated with older homes. Buyers can then make informed decisions regarding their purchase, potentially including inspection for lead hazards as part of their due diligence. This requirement is an essential aspect of real estate transactions involving older properties, emphasizing the importance of safety and health in residential environments.*

**2. What happens to a listing agreement if the seller dies?**

- A. It remains valid until the estate is settled
- B. It automatically transfers to the heirs
- C. It is terminated and becomes void**
- D. It can be renewed by the estate

*In the context of real estate, a listing agreement is a contract between a seller and a real estate agent that grants the agent the right to sell the property. When the seller of a property dies, the listing agreement is typically considered terminated and becomes void. This is because the contract is tied to the individual seller, and upon that person's death, they are no longer able to fulfill the obligations outlined in the agreement. The rationale behind this is rooted in contract law, where personal agreements may not automatically transfer upon death unless specified otherwise. This means the real estate agent cannot continue to act under the agreement, as the seller cannot authorize or engage in the sale due to their passing. While the estate may ultimately decide to continue the sale of the property through a new agreement, the original listing agreement itself does not persist beyond the seller's death. Therefore, the termination of the agreement aligns with standard legal principles governing contracts and estate matters.*

### 3. What does a Fee Simple Estate represent?

- A. A temporary right to use property
- B. A right to use property with restrictions
- C. The complete ownership of property**
- D. A shared ownership model

*A Fee Simple Estate represents the highest form of property ownership in real estate. It conveys complete ownership rights to the property holder, providing the owner with the ability to use, transfer, lease, or sell the property without any limitations imposed by the original grantor, as long as those actions comply with local laws and regulations. This contrasts with other forms of property ownership, which may involve temporary rights, restrictions, or shared ownership. For instance, a temporary right to use property signifies a lease or a rental arrangement, while a right to use property with restrictions may be associated with easements or specific covenants. Shared ownership models, like tenants in common or joint tenancy, indicate that ownership is divided among multiple parties. A Fee Simple Estate establishes the most comprehensive level of control and authority over real estate, making it a vital concept in understanding property ownership.*

### 4. Which appraisal method relies heavily on the current market conditions for comparisons?

- A. Cost Approach
- B. Income Approach
- C. Sales Comparison Approach**
- D. Depreciation Method

*The Sales Comparison Approach is the correct answer because it specifically focuses on comparing the subject property with similar properties that have recently sold in the same area, taking into account the current market conditions. This method analyzes sales data to determine a fair market value by assessing what buyers are willing to pay for similar properties under current economic circumstances. Factors such as location, property condition, and market trends significantly influence the price comparisons made within this approach. In contrast, the Cost Approach estimates value based on the cost to replace or reproduce the property, considering depreciation but does not directly account for current market conditions as heavily as the Sales Comparison Approach. The Income Approach, typically used for investment properties, evaluates the potential income-generating ability of a property rather than direct market comparisons. The Depreciation Method pertains more to understanding the reduction in value over time rather than the assessment of property values based on market comparisons. Therefore, the reliance of the Sales Comparison Approach on current market conditions is what makes it distinctively relevant for appraisal in today's real estate environment.*

## 5. What is required for a listing agreement to be legally binding?

- A. Oral agreement
- B. Written agreement and signatures**
- C. Verbal confirmation and witness
- D. Notarization

*A listing agreement must be in writing and signed by both parties to be legally binding. This requirement is in place to ensure that there is a clear and enforceable contract outlining the terms of the agreement between a property owner and a real estate broker. A written agreement provides a tangible record of the parties' intentions and the specifics of the arrangement, such as the listing price and the duration of the agreement. Having signatures from both parties authenticates the document and indicates that they have both agreed to its terms. In real estate transactions, this formality helps prevent disputes about whether an agreement ever existed or what it included, thus providing legal protection for both the seller and the broker. While oral agreements can sometimes be enforceable, they often lead to misunderstandings or disputes regarding the terms. Verbal confirmations and witnesses, as well as notarizations, do not replace the need for a written contract in this specific context, thereby underscoring the importance of a written and signed listing agreement in the real estate practice.*

## 6. Which of these options does NOT apply to RESPA regulations?

- A. Disclosure of settlement costs
- B. Prohibition of kickbacks
- C. Monitoring housing discrimination**
- D. Providing loan information disclosure

*RESPA, or the Real Estate Settlement Procedures Act, primarily focuses on promoting transparency in the real estate closing process by regulating how settlement costs are disclosed to buyers. Key aspects include the requirement for lenders to provide clear disclosure of settlement costs, ensuring borrowers are aware of all fees involved in the transaction. The prohibition of kickbacks is another significant aspect of RESPA. This regulation prevents any parties involved in the settlement process from receiving kickbacks or referral fees for services not legitimately rendered, thereby avoiding conflicts of interest and promoting fairness in the closing process. Moreover, RESPA mandates that borrowers receive loan information disclosures, which outline various aspects of the loan terms and implications for the borrower. This helps ensure that borrowers are making informed decisions regarding their financing options. In contrast, monitoring housing discrimination is not a function of RESPA. While the Fair Housing Act addresses issues of discrimination in housing itself, RESPA is specifically tailored to the settlement process and does not encompass the broader scope of housing discrimination regulations. Thus, it is clear that monitoring housing discrimination does not apply to RESPA regulations, making it the correct choice in this context.*

## 7. On what amount are discount points based during a loan?

- A. The total purchase price
- B. The down payment
- C. Loan amount**
- D. The appraised value

Discount points are calculated based on the loan amount rather than the total purchase price, down payment, or appraised value. When a borrower opts to pay discount points, they are essentially prepaying interest to lower the interest rate on their mortgage over time. Each point typically represents 1% of the loan amount and is paid upfront at closing. For example, if the loan amount is \$200,000 and a borrower decides to pay two discount points, they would pay \$4,000 (2% of \$200,000). This payment directly reduces their interest rate, making their long-term borrowing costs lower. Understanding that discount points are tied to the loan amount helps borrowers better assess how they can save money over the life of their mortgage by choosing to pay these points.

## 8. What is an example of a primary advantage of conventional loans?

- A. No insurance requirement**
- B. Fixed low interest rates
- C. High loan-to-value ratios
- D. No closing costs

A primary advantage of conventional loans is that they typically do not require private mortgage insurance (PMI) if the borrower makes a down payment of at least 20%. This is significant because PMI can add to the monthly payment and increase the overall cost of borrowing. By avoiding this additional expense, borrowers can save money and manage their budgets more effectively. The other options, while they may present certain benefits, do not represent the primary characteristic that sets conventional loans apart. For instance, fixed low interest rates can be found in many types of loans, not just conventional ones. High loan-to-value ratios are generally associated with higher risk loans, and while some conventional loans may accommodate them, they are not a defining feature. Lastly, no closing costs are not typically associated with conventional loans, as most lenders do charge for closing costs, which can include appraisal fees, title searches, and origination fees. Thus, the absence of an insurance requirement is a notable advantage that distinguishes conventional loans in the mortgage market.

## 9. What defines a Purchase Money Mortgage?

- A. A loan obtained from a bank for home buying
- B. A mortgage given by the seller to the buyer**
- C. A mortgage from a third-party lender
- D. Any mortgage with no down payment

*A Purchase Money Mortgage is specifically defined as a mortgage given by the seller to the buyer as part of the transaction to facilitate the purchase of real estate. This type of financing is often used when the buyer may have trouble securing a loan from traditional lenders or when the seller wants to make the property more appealing to potential buyers by offering flexible financing options. In this scenario, the seller acts as the lender, often allowing the buyer to make payments directly to them. This arrangement can benefit both parties by enabling the buyer to purchase a home even if they cannot secure conventional financing, and it can provide the seller with a steady stream of income from interest on the loan. Other options do not align with this definition. A loan obtained from a bank specifically refers to conventional or traditional financing rather than an arrangement directly involving the seller. A mortgage from a third-party lender describes typical financing scenarios but does not capture the specific seller-to-buyer nature of a Purchase Money Mortgage. Likewise, a mortgage with no down payment does not inherently define the relationship between a buyer and seller in this context and could apply to various types of loans regardless of the source.*

## 10. What does blockbusting involve in real estate?

- A. Encouraging property owners to improve their homes
- B. Convincing property owners to sell due to fear of changing demographics**
- C. Promoting fair housing practices
- D. Marketing properties based on their features

*Blockbusting is a controversial and illegal practice in real estate where agents or developers persuade property owners to sell their homes by instilling fear regarding changing demographics in their neighborhoods. The tactic often involves suggesting that an influx of a particular racial or ethnic group will lead to declining property values or a change in the community's character. This fear is exploited to encourage homeowners to sell their properties rapidly, often at lower prices, capitalizing on the sellers' anxiety. Understanding blockbusting is essential in promoting ethical practices in real estate. It stands in stark contrast to fair housing principles, which emphasize the importance of all individuals having equal opportunities in housing regardless of background. Recognizing the implications of blockbusting helps real estate professionals navigate their responsibilities towards clients and the community at large.*



## 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](mailto:hello@examzify.com).

Or visit your dedicated course page for more study tools and resources:

<https://ohiorealestate.examzify.com>

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

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