

OREGON 30-HOUR REAL ESTATE LAW PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE

<https://oregon30hour-realestatelaw.examzify.com>



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

SAMPLE

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

SAMPLE

- 1. Why might buyers require additional cash at closing for a short sale?**
 - A. To cover repairs not included in the sale
 - B. Buyers may need to pay off existing liens
 - C. To pay for the buyer's agent commission
 - D. To cover closing costs associated with moving
- 2. What type of notice is given directly to and received by an individual?**
 - A. Constructive notice
 - B. Actual notice
 - C. Implied notice
 - D. Public notice
- 3. What is a common title defect in Oregon that stemmed from the secondary mortgage market?**
 - A. Lack of property inspections
 - B. Loans traded on the MERS causing ownership queries
 - C. Erroneous tax assessments
 - D. Conflicts in property zoning
- 4. Who must have permission to inspect property management activity records?**
 - A. Random tenants
 - B. The Oregon Real Estate Agency
 - C. Real estate commission members
 - D. Property owners only
- 5. What should a property manager always prioritize to ensure compliance and minimize disputes?**
 - A. Personal rapport with tenants
 - B. Clear record-keeping practices
 - C. Frequent property inspections
 - D. Regular tenant meetings

- 6. Which property owned by Edmund did NOT have to go through the probate process after his death?**
- A. The grocery store
 - B. The campground
 - C. The strip mall
 - D. His personal residence
- 7. Malcolm purchased an old convenience store and made renovations, totaling \$524,000. What does this amount represent?**
- A. Net profit from sales
 - B. Market value of the property
 - C. Depreciable basis
 - D. Total investment cost
- 8. Which of the following items is NOT considered personal property and would therefore stay with a home?**
- A. The chandelier in the foyer
 - B. The dining table and chairs
 - C. The area rugs in the living room
 - D. The potted plants in the garden
- 9. Your aunt's property was used to pay her tax bill after bequeathing it to you. Is this legal?**
- A. No, bequests take precedence over debts
 - B. Yes, due to operation of law
 - C. No, you need to formally accept the bequest
 - D. Yes, but only if you were notified
- 10. Which fiduciary duty may extend even after closing a transaction?**
- A. The duty of loyalty
 - B. The duty of competence
 - C. The duty of accounting
 - D. The duty of confidentiality

Answers

SAMPLE

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

SAMPLE

Explanations

SAMPLE

1. Why might buyers require additional cash at closing for a short sale?

- A. To cover repairs not included in the sale
- B. Buyers may need to pay off existing liens**
- C. To pay for the buyer's agent commission
- D. To cover closing costs associated with moving

In the context of a short sale, buyers may require additional cash at closing primarily to pay off existing liens on the property. A short sale occurs when a homeowner sells their property for less than the amount owed on the mortgage, with the lender's approval. Often, there can be other liens on the property, such as tax liens or home equity lines of credit, that still need to be satisfied. When a buyer makes an offer on a short sale, they must be aware that these additional obligations might arise, which could necessitate extra cash at closing. While repairs, agent commissions, and moving costs may also incur expenses, they are typically considered separate from the immediate financial obligations related to the property's liens. The approval of the short sale hinges on the lender's acceptance of the sale price, and buyers must be prepared to address these outstanding liens to secure clear title to the property. Thus, having the ability to cover these liens is a critical consideration for buyers navigating a short sale transaction.

2. What type of notice is given directly to and received by an individual?

- A. Constructive notice
- B. Actual notice**
- C. Implied notice
- D. Public notice

The type of notice that is given directly to and received by an individual is known as actual notice. This occurs when a person is directly informed or made aware of a particular fact, obligation, or legal requirement. Actual notice can be conveyed through personal delivery, written communication, or verbal notification, ensuring that the recipient has received and understood the information. In the context of real estate, actual notice is significant because it establishes that an individual is aware of a specific issue, which can affect their rights or responsibilities concerning property. For instance, in real estate transactions, providing actual notice of a lien, easement, or other encumbrances ensures that parties involved understand the legal implications associated with the property. Other types of notice, such as constructive notice, imply that information is available or can be found through public records or other means, even if the individual has not received direct communication. Implied notice suggests that a person should be aware of a fact based on certain behaviors or circumstances, while public notice refers to information made available to the general public, typically through official channels. These forms of notice do not guarantee that an individual is directly informed or understands the specifics of the situation in the same way that actual notice does.

3. What is a common title defect in Oregon that stemmed from the secondary mortgage market?

- A. Lack of property inspections
- B. Loans traded on the MERS causing ownership queries**
- C. Erroneous tax assessments
- D. Conflicts in property zoning

The presence of loans traded on the Mortgage Electronic Registration Systems (MERS) is a notable concern related to title defects in Oregon, particularly because it introduces complexities in tracking ownership. MERS operates as a database that tracks mortgage loans and their ownership changes without recording these changes in the public land records, which can lead to confusion and uncertainty regarding who holds legal title to a property. When loans are originated and then subsequently sold or transferred multiple times between various financial institutions, it becomes challenging to ascertain the true owner of the mortgage. This can cause problems during the foreclosure process, as potential buyers or lenders may be unsure of the rightful party to negotiate with or may even face legal disputes over ownership. This uncertainty can lead to significant issues for property owners and buyers alike, ultimately impacting the title and ownership verification process during real estate transactions. The other options, while they could relate to real estate transactions, do not directly derive from practices specific to the secondary mortgage market in the way that the confusion and ownership queries arising from MERS do. This is why the use of MERS is distinctly a common title defect associated with this market situation in Oregon.

4. Who must have permission to inspect property management activity records?

- A. Random tenants
- B. The Oregon Real Estate Agency**
- C. Real estate commission members
- D. Property owners only

The requirement for the Oregon Real Estate Agency to have permission to inspect property management activity records stems from the agency's regulatory role in overseeing real estate practices within the state. This oversight is crucial to ensure compliance with state laws and regulations governing real estate transactions and property management. The agency is responsible for upholding standards, protecting consumers, and ensuring that property managers are operating within the legal framework established by Oregon law. By inspecting activity records, the agency can assess whether property management practices adhere to legal requirements, which helps maintain integrity in the real estate market. While property owners have a vested interest in the management of their properties, and members of the real estate commission may have regulatory knowledge or oversight duties, they do not have the same level of authority as the Oregon Real Estate Agency when it comes to inspecting these records. Similarly, random tenants do not have the right to inspect such records due to privacy concerns and the nature of property ownership and management. Thus, the Oregon Real Estate Agency is the definitive body that requires permission to inspect property management activity records, highlighting its critical role in maintaining regulatory compliance in property management activities.

5. What should a property manager always prioritize to ensure compliance and minimize disputes?

- A. Personal rapport with tenants
- B. Clear record-keeping practices**
- C. Frequent property inspections
- D. Regular tenant meetings

A property manager should always prioritize clear record-keeping practices to ensure compliance and minimize disputes. Proper documentation and organized records provide a reliable reference point for all transactions, communications, and agreements. This holds particular importance when legal issues arise, as having documented evidence can substantiate claims, offer proof of compliance with regulations, and provide clarity over the terms of leases and tenant agreements. Clear record-keeping encompasses various elements, including maintenance logs, payment records, correspondence with tenants, lease agreements, and documentation of any complaints or issues. This structured approach not only aids in internal management but also prepares a property manager to address any disputes with appropriate evidence. Maintaining strong records can also promote transparency with tenants, fostering trust and reducing misunderstandings, which can lead to disputes. In contrast, while personal rapport, frequent inspections, and regular meetings are beneficial practices, they do not offer the same level of protective detail against potential compliance issues or disputes that thorough record-keeping provides.

6. Which property owned by Edmund did NOT have to go through the probate process after his death?

- A. The grocery store
- B. The campground
- C. The strip mall**
- D. His personal residence

In the context of estate law and probate, certain properties may not require probate due to how they are owned or designated. When a property is held in a particular way, such as joint tenancy or in a trust, it can often pass directly to beneficiaries without needing to go through the probate process. In this scenario, the strip mall is likely held in a manner that allows it to bypass probate. For example, if it was owned by a business entity, such as a corporation or limited liability company (LLC), the ownership would transfer according to the rules governing that entity, rather than requiring probate. Additionally, if the strip mall was held in a revocable trust, it would similarly avoid probate. Probate is typically required for properties that are individually owned and do not have any designated transfer mechanisms in place, such as the grocery store, campground, and personal residence. These properties would go through the probate process so that the court can oversee the distribution of the assets according to Edmund's will or, if there is no will, according to state intestate succession laws.

7. Malcolm purchased an old convenience store and made renovations, totaling \$524,000. What does this amount represent?

- A. Net profit from sales
- B. Market value of the property
- C. Depreciable basis**
- D. Total investment cost

The amount of \$524,000 represents the depreciable basis of the property. When Malcolm made renovations to the convenience store, those costs contribute to the overall value that can be depreciated over time for tax purposes. The depreciable basis is typically determined by taking the purchase price of the property and adding the costs associated with improvements, which in this instance includes the renovations made by Malcolm. The depreciable basis is essential for property owners as it affects their tax liability by allowing them to recover the cost of the asset over its useful life through depreciation deductions. By having a higher depreciable basis, Malcolm can maximize his tax benefits as he will be able to write off more of the property's cost when reporting income. The other options do not accurately describe the significance of the \$524,000 in this context. It is not the net profit from sales, as that pertains to income earned rather than costs incurred. It also does not represent the market value of the property, which is a separate concept that reflects what the property could sell for in the current market. Lastly, while it could be considered a part of the total investment cost in a broader sense, the term "depreciable basis" is the precise terminology that applies in the context of taxation and asset

8. Which of the following items is NOT considered personal property and would therefore stay with a home?

- A. The chandelier in the foyer**
- B. The dining table and chairs
- C. The area rugs in the living room
- D. The potted plants in the garden

The chandelier in the foyer is considered a fixture because it is permanently attached to the structure of the home. Fixtures are items that are installed or built into the property and typically remain with the home when it is sold, as they are considered part of the real estate. In real estate transactions, it's crucial to distinguish between personal property, which can be moved and sold separately from the property, and fixtures, which are typically included in the sale. The other items listed—dining table and chairs, area rugs, and potted plants—are generally movable and considered personal property. Therefore, they would not automatically remain with the home unless specifically stated in the sale agreement. Recognizing what constitutes a fixture versus personal property is an essential aspect of real estate transactions, as it impacts what is included in the sale of a property.

9. Your aunt's property was used to pay her tax bill after bequeathing it to you. Is this legal?

- A. No, bequests take precedence over debts
- B. Yes, due to operation of law**
- C. No, you need to formally accept the bequest
- D. Yes, but only if you were notified

The situation where your aunt's property was used to pay her tax bill after she bequeathed it to you is legal due to the operation of law. When a person passes away, their estate must settle any outstanding debts and liabilities before distributing the remaining assets to the heirs or beneficiaries. This process is governed by probate law, which ensures that all creditors are paid before heirs receive their inheritance. In this context, the tax bill represents a debt of the estate. Since the property was part of the estate, the law allows the estate to use it to cover these debts. This ensures that the financial obligations of the deceased are fulfilled, and creditors are paid, which is a fundamental principle of estate management. Therefore, the bequest is subject to the estate's liabilities and can be used to settle these debts, including tax obligations. Other choices may suggest a misunderstanding of how debts and bequests interact. For example, the idea that bequests take precedence over debts does not hold, as all debts must be resolved first. Similarly, the notion that formal acceptance of the bequest is necessary before debts can be settled overlooks the automatic legal processes that take precedence. Additionally, while being notified can be important in some contexts, it does not change the legal requirement of

10. Which fiduciary duty may extend even after closing a transaction?

- A. The duty of loyalty
- B. The duty of competence
- C. The duty of accounting**
- D. The duty of confidentiality

The duty of confidentiality is the fiduciary duty that may extend even after the closing of a transaction. This duty requires agents and brokers to protect their clients' confidential information, and it remains in effect beyond the completion of the transaction. Even after the sale is finalized, an agent must not disclose sensitive information about their client that could harm the client's interests or provide an advantage to others. In real estate transactions, this can include personal financial information, motivations for selling or buying, and any other private matters that the client shared in confidence. Maintaining this confidentiality is essential for fostering trust in the client-agent relationship and is a crucial aspect of professionalism in the real estate industry. While the duties of loyalty, competence, and accounting are important fiduciary responsibilities, they typically conclude with the finalization of the transaction. For instance, the duty of loyalty involves acting in the best interests of the client during the transaction, the duty of competence pertains to providing services with adequate skill and expertise, and the duty of accounting relates to the management and reporting of funds and property entrusted to the agent. Once the transaction is completed, these duties are generally considered fulfilled, but confidentiality continues to be ongoing and critical for protecting the client's interests long after the deal is closed.

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://oregon30hour-realestatelaw.examzify.com>

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

SAMPLE