

Oregon Pre-License Property Management Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

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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

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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 types of identification are typically required from tenants?**
 - A. Social security card and birth certificate**
 - B. Government-issued photo ID and proof of income**
 - C. Passport and utility bill**
 - D. Driver's license and credit report**

- 2. When does a security deposit have to be deposited?**
 - A. Within one week of receipt**
 - B. In the month it is received**
 - C. At the end of the lease term**
 - D. Immediately upon receipt**

- 3. How does Oregon law define 'implied warranty of habitability'?**
 - A. Tenants must receive a reduction in rent at the end of the lease**
 - B. Residential premises must meet basic living and safety standards for tenants**
 - C. Landlords can evict tenants for any reason**
 - D. Residential properties must have a lease longer than one year**

- 4. Which of the following statements is true regarding lease agreements?**
 - A. All lease agreements are the same regardless of property type**
 - B. Residential leases generally have shorter terms than commercial leases**
 - C. Commercial leases cannot include any personal clauses**
 - D. Only landlords can alter lease agreements without consent**

- 5. What consequence might a landlord face if they fail to maintain a rental property up to legal standards?**
 - A. They get awarded a tax deduction**
 - B. They may face legal repercussions, including tenant lawsuits or fines**
 - C. They can terminate the lease without notice**
 - D. They will receive a warning from the municipality**

6. What types of insurance should a property manager maintain?

- A. General liability and personal health insurance**
- B. General liability, property insurance, and mistakes and omissions insurance**
- C. Only property insurance**
- D. Renters insurance and general liability insurance**

7. Under what circumstance can a property manager NOT receive and disburse funds?

- A. When they have delegated authority**
- B. When they are on vacation**
- C. When they are not licensed**
- D. There are no restrictions on receiving and disbursing funds**

8. What impact do zoning laws have on property management?

- A. They determine acceptable property use**
- B. They allow for unlimited property modifications**
- C. They apply only to commercial properties**
- D. They have no impact on property management**

9. In which scenario would a recapture clause likely be used?

- A. When a tenant expands their business**
- B. When a tenant does not meet sales thresholds**
- C. When a lease term ends**
- D. When a tenant improves the property**

10. What primarily defines a property manager's role?

- A. Maximizing property profits**
- B. Ensuring smooth operation of property**
- C. Minimizing tenant satisfaction**
- D. Advertising properties for sale**

Answers

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

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Explanations

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1. What types of identification are typically required from tenants?

- A. Social security card and birth certificate**
- B. Government-issued photo ID and proof of income**
- C. Passport and utility bill**
- D. Driver's license and credit report**

The requirement for a government-issued photo ID and proof of income is a standard practice in property management. A government-issued photo ID, such as a driver's license or passport, helps verify the identity of the tenant and ensures that they are who they claim to be, which is essential for establishing a legitimate rental agreement. Additionally, proof of income is crucial as it helps landlords assess the tenant's financial ability to pay rent consistently. This could include recent pay stubs, bank statements, or tax returns that demonstrate employment and income stability. This comprehensive assessment helps protect landlords from potential losses associated with tenants who may not be able to meet their rental obligations. Other options may include forms of identification and proof of residency, but they do not provide the same level of verification regarding identity and financial stability crucial to the property management process.

2. When does a security deposit have to be deposited?

- A. Within one week of receipt**
- B. In the month it is received**
- C. At the end of the lease term**
- D. Immediately upon receipt**

A security deposit must be deposited in a designated account in a timely manner, which is typically defined by state regulations. In Oregon, the law stipulates that a landlord must deposit a security deposit within a month of receiving it. This requirement ensures that tenants' funds are handled properly and are protected, minimizing the risk of misuse. Depositing security deposits within this timeframe also helps maintain transparency and trust between landlords and tenants, reinforcing the importance of responsible property management practices. Understanding this timeframe is essential for compliance with Oregon's laws regarding tenant rights and landlord obligations. The other choices do not reflect the specific legal requirements set forth in Oregon, as they suggest either an unreasonably short period, such as one week or immediate deposit, or imply that no action is necessary until the lease ends, which does not align with the established guidelines.

3. How does Oregon law define 'implied warranty of habitability'?

- A. Tenants must receive a reduction in rent at the end of the lease**
- B. Residential premises must meet basic living and safety standards for tenants**
- C. Landlords can evict tenants for any reason**
- D. Residential properties must have a lease longer than one year**

The correct understanding of the 'implied warranty of habitability' under Oregon law is that residential premises must meet basic living and safety standards for tenants. This legal principle establishes that landlords are responsible for ensuring that their rental properties are suitable for living, safe, and free from significant defects that could harm the tenant's health or safety. This warranty is implicit in every residential lease agreement, meaning that it does not need to be explicitly stated in the lease document for the tenant to have the protections it offers. If a property fails to meet these standards—such as having inadequate plumbing, heating, or electrical systems, or being infested with pests—tenants have legal grounds to seek remedies which could include repair requests, rent reductions, or even lease termination. The other options presented do not accurately reflect the concept of the implied warranty of habitability. For example, the idea that tenants must receive a rent reduction at the end of the lease does not relate to the responsibility of landlords for maintaining property standards during the tenancy. Similarly, the notion that landlords can evict tenants for any reason contradicts the legal protections in place that safeguard tenants from unjust evictions and also does not address the habitability context. Lastly, the requirement for residential properties to have a

4. Which of the following statements is true regarding lease agreements?

- A. All lease agreements are the same regardless of property type**
- B. Residential leases generally have shorter terms than commercial leases**
- C. Commercial leases cannot include any personal clauses**
- D. Only landlords can alter lease agreements without consent**

The statement regarding lease agreements that is accurate is that residential leases generally have shorter terms than commercial leases. This is true because residential leases typically involve living arrangements for individuals or families and often range from six months to a year or even month-to-month. In contrast, commercial leases, which pertain to business operations, often extend for multiple years to provide stability for both the landlord and the tenant, reflecting the longer investment timelines and fluctuating needs of businesses. The context of lease lengths caters to the nature of occupancy and the related economic factors, such as the time needed to establish a business versus the temporary nature of residential living situations. Thus, the differentiation in lease terms between residential and commercial sectors plays a significant role in real estate and property management practices.

5. What consequence might a landlord face if they fail to maintain a rental property up to legal standards?

- A. They get awarded a tax deduction
- B. They may face legal repercussions, including tenant lawsuits or fines**
- C. They can terminate the lease without notice
- D. They will receive a warning from the municipality

When a landlord fails to maintain a rental property up to legal standards, they may face legal repercussions, which can include tenant lawsuits or fines. This consequence arises because landlords have a legal obligation to provide a safe and habitable living environment for their tenants according to local, state, and federal housing codes. If a landlord neglects necessary repairs or violates maintenance standards, tenants may take action by filing lawsuits to seek remedy for issues such as unsafe living conditions or breaches of the lease agreement. Additionally, failure to meet legal maintenance standards can lead to municipal fines or additional penalties imposed by local housing authorities, which enforce housing regulations to ensure tenant safety. Such legal consequences reinforce the importance of a landlord's responsibility in upholding property maintenance and tenant welfare. In contrast, tax deductions, lease termination without notice, or warnings from municipalities do not directly result from a landlord's failure to maintain property standards. A landlord would not benefit from a tax deduction under these circumstances, nor can they unilaterally terminate leases without adhering to legal procedures. Warnings might occur in some cases, but they do not represent the principal consequence associated with legal obligations regarding property maintenance.

6. What types of insurance should a property manager maintain?

- A. General liability and personal health insurance
- B. General liability, property insurance, and mistakes and omissions insurance**
- C. Only property insurance
- D. Renters insurance and general liability insurance

A property manager should maintain general liability, property insurance, and mistakes and omissions insurance to comprehensively protect both their business and the properties they manage. General liability insurance is crucial as it provides protection against claims of bodily injury or property damage that may occur on the premises. This can safeguard the property manager from potentially significant financial losses due to lawsuits or settlements resulting from accidents. Property insurance protects the physical assets of the property being managed. This includes coverage for damages caused by events such as fire, weather-related incidents, or vandalism. By having property insurance, a property manager ensures that they can cover repair or replacement costs, ultimately safeguarding the investment for both themselves and the property owner. Mistakes and omissions insurance (often referred to as Errors and Omissions insurance) is designed to protect property managers from claims resulting from professional errors, omissions, or negligence in the management of the property. This type of insurance is essential for mitigating risks associated with the complexities involved in property management, such as lease agreements, tenant disputes, or mismanagement claims. Together, these three types of insurance create a robust safety net for property managers, addressing various risks and liabilities inherent in the profession. Thus, maintaining all three provides a well-rounded approach to risk management in property management activities

7. Under what circumstance can a property manager NOT receive and disburse funds?

- A. When they have delegated authority**
- B. When they are on vacation**
- C. When they are not licensed**
- D. There are no restrictions on receiving and disbursing funds**

A property manager must be licensed to receive and disburse funds legally. Licensing ensures that the property manager has completed the necessary training and understands the legalities and responsibilities associated with managing funds on behalf of others. If a property manager is not licensed, they do not have the legal authority to handle or distribute any funds related to property management, making it improper and potentially unlawful for them to engage in these activities. While delegating authority is a common practice in property management, it still requires that the involved parties are licensed professionals. Being on vacation does not affect a property manager's ability to receive and disburse funds, as procedures are often in place to manage operations during such absences. The option stating there are no restrictions is incorrect, as there are specific legal requirements that must be met to ensure proper financial conduct in property management.

8. What impact do zoning laws have on property management?

- A. They determine acceptable property use**
- B. They allow for unlimited property modifications**
- C. They apply only to commercial properties**
- D. They have no impact on property management**

Zoning laws play a crucial role in property management by determining acceptable property use. These regulations are put in place by local governments to organize land use in a way that promotes orderly development and utilizes resources effectively. They dictate what types of activities can take place on specific parcels of land, whether commercial, residential, industrial, or agricultural. For property managers, understanding zoning laws is essential as they influence decisions such as tenant selection, types of businesses that can operate within a property, and even structural modifications or renovations that may be permissible. If a property management team fails to consider zoning laws, they could inadvertently allow prohibited activities to occur on the property, which could lead to legal issues, fines, or the loss of licenses. The other options do not reflect the reality of how zoning laws function. For instance, zoning laws do not permit unlimited property modifications, nor are they restricted solely to commercial properties; they apply to all types of real estate. Additionally, zoning laws certainly have a significant impact on property management, contrary to the idea that they have no influence at all. Understanding these regulations is fundamental for effective management and ensuring compliance with local laws.

9. In which scenario would a recapture clause likely be used?

- A. When a tenant expands their business
- B. When a tenant does not meet sales thresholds**
- C. When a lease term ends
- D. When a tenant improves the property

The correct answer highlights a situation in which a recapture clause serves an important function within a lease agreement. A recapture clause is commonly employed to protect landlords when a tenant fails to meet certain performance metrics, such as sales thresholds. This clause allows the landlord to reclaim the leased space if the tenant is not producing enough revenue, thus providing a mechanism for the landlord to regain control of the property and potentially lease it to a more profitable tenant. This scenario is particularly pertinent in commercial leases, especially those with rent structures tied to the tenant's sales performance. If a tenant's business is underperforming and unable to meet the agreed-upon sales threshold, the recapture clause offers the landlord an exit strategy from the lease, minimizing financial risk and maximizing the potential for future income. Other scenarios, such as expansion, lease term conclusion, or property improvements, do not inherently require a recapture clause. Expansion may benefit the property but does not trigger a recapture situation. Lease expiration is a natural point where the lease concludes, and property improvements might enhance value but do not directly relate to the tenant's performance metrics. In contrast, the need for recapture directly correlates with ensuring that the landlord can maintain profitability and control over the leasing situation based on the

10. What primarily defines a property manager's role?

- A. Maximizing property profits
- B. Ensuring smooth operation of property**
- C. Minimizing tenant satisfaction
- D. Advertising properties for sale

The role of a property manager is primarily defined by the responsibility to ensure the smooth operation of a property. This encompasses various tasks that include managing day-to-day operations, maintaining the property, handling tenant relations, and ensuring compliance with property regulations. Effective property management is essential for creating a functional living or working environment for tenants, which inherently influences occupancy rates and, consequently, profitability. While maximizing property profits and advertising properties for sale are certainly important aspects of property management, these elements are more outcomes or responsibilities that arise from ensuring smooth operations rather than defining the core role itself. Ensuring tenant satisfaction is a crucial part of maintaining a property's operation, but minimizing tenant satisfaction would contradict the central purpose of a property manager, as happy tenants are generally key to a successful property management strategy. Overall, the primary focus of a property manager is to create an environment where both the property and tenants are functioning optimally, supporting the overall goals of the property owner.

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://orprelicensepropertymgmt.examzify.com>

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

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