

# Oregon Real Estate Practice Test (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. How does a short sale differ from a foreclosure?**
  - A. A short sale is initiated by a bank, while foreclosure is initiated by a seller**
  - B. A short sale happens with bank approval, foreclosure is not**
  - C. A short sale means selling for more than owed, foreclosure means selling for less**
  - D. A short sale eliminates the need for a real estate agent, while foreclosure requires one**
- 2. What does the Oregon Property Management Act primarily regulate?**
  - A. Home buying procedures**
  - B. Landlord and property manager activities**
  - C. Commercial lease agreements**
  - D. Real estate agent licensing**
- 3. What must be disclosed to potential buyers in a real estate transaction?**
  - A. Seller's personal information**
  - B. Any last-minute changes in pricing**
  - C. Any material defects known to the seller**
  - D. Future neighborhood developments**
- 4. What is the purpose of a listing agreement in real estate?**
  - A. To specify the price of a property only**
  - B. To outline the terms for marketing and selling a property**
  - C. To provide occupancy rights directly to the buyer**
  - D. To act as a lease agreement between the landlord and tenant**
- 5. Which of the following is a key component of a real estate contract?**
  - A. Title transfer**
  - B. Acceptance**
  - C. Lease agreement**
  - D. Property inspection**

- 6. How long is an Oregon real estate license valid before renewal is required?**
- A. 1 year**
  - B. 2 years**
  - C. 3 years**
  - D. 5 years**
- 7. What happens if a principal broker has not reviewed a licensee's advertising for their own property?**
- A. The advertising must be stopped immediately**
  - B. It can be published without penalties**
  - C. Only if approved by the listing agent**
  - D. It depends on the type of property**
- 8. What role does the Multiple Listing Service (MLS) play in real estate?**
- A. It is a website for buyers to search properties**
  - B. It is a database used by real estate professionals to share listings**
  - C. It provides detailed property history for buyers**
  - D. It is a service for homeowners to appraise their properties**
- 9. Who typically holds the responsibility of disclosing property defects?**
- A. The property seller**
  - B. The real estate agent**
  - C. The home inspector**
  - D. The buyer**
- 10. Which type of document indicates that a mortgage lender will provide loan funds?**
- A. Title insurance document**
  - B. Commitment document**
  - C. Appraisal report**
  - D. Purchase agreement**



## **Answers**

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

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## **Explanations**

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## 1. How does a short sale differ from a foreclosure?

- A. A short sale is initiated by a bank, while foreclosure is initiated by a seller
- B. A short sale happens with bank approval, foreclosure is not**
- C. A short sale means selling for more than owed, foreclosure means selling for less
- D. A short sale eliminates the need for a real estate agent, while foreclosure requires one

A short sale is a real estate transaction that occurs when a homeowner sells their property for less than the amount owed on their mortgage, and the lender agrees to accept this reduced payoff. For a short sale to proceed, the bank must approve the sale since they are agreeing to take a loss on the mortgage loan. This ensures that the transaction is legally recognized and protects the interests of all parties involved, including both the seller and the lender. In contrast, a foreclosure is a legal process initiated by the lender when a borrower defaults on their mortgage payments. During foreclosure, the lender takes possession of the property and sells it to recover the owed debt, typically through an auction. Because foreclosure is a result of the homeowner's default, it does not require the homeowner's approval, and the lender acts based on their rights as secured creditors. The key distinction lies in the necessity of bank approval for a short sale and the lack of homeowner agreement in foreclosure. While a real estate agent might be involved in both scenarios, the nature of the transactions and their initiation differ significantly.

## 2. What does the Oregon Property Management Act primarily regulate?

- A. Home buying procedures
- B. Landlord and property manager activities**
- C. Commercial lease agreements
- D. Real estate agent licensing

The Oregon Property Management Act primarily regulates the activities of landlords and property managers in the state. This act sets forth the legal framework governing the landlord-tenant relationship, outlining the responsibilities and rights of both parties involved in the rental process. It includes regulations regarding rental agreements, security deposits, maintenance responsibilities, and eviction processes, ensuring that rental practices are fair and transparent. Understanding this regulation is essential for property managers and landlords, as it helps them navigate their legal obligations and maintain compliance with state laws. It also serves to protect tenants by providing them with rights and recourse in case of disputes. Other areas mentioned, like home buying procedures, commercial lease agreements, and real estate agent licensing, fall under different regulations and statutes that do not pertain specifically to property management activities.

### **3. What must be disclosed to potential buyers in a real estate transaction?**

- A. Seller's personal information**
- B. Any last-minute changes in pricing**
- C. Any material defects known to the seller**
- D. Future neighborhood developments**

In a real estate transaction, it is essential for sellers to disclose any material defects known to them regarding the property. Material defects are significant issues that could affect the value, safety, or habitability of the property, such as structural problems, water damage, or issues with the electrical system. This requirement helps ensure that buyers are fully informed about the condition of the property they are considering purchasing, allowing them to make educated decisions. Disclosing such information also serves to protect the seller from potential legal liability that may arise from non-disclosure. When sellers fail to disclose known defects and the buyer later discovers these issues, it can result in disputes or legal claims, which emphasize the importance of honesty and transparency in real estate transactions. Thus, this obligation to disclose material defects is a cornerstone of ethical real estate practice and promotes trust between buyers and sellers.

### **4. What is the purpose of a listing agreement in real estate?**

- A. To specify the price of a property only**
- B. To outline the terms for marketing and selling a property**
- C. To provide occupancy rights directly to the buyer**
- D. To act as a lease agreement between the landlord and tenant**

The primary purpose of a listing agreement in real estate is to outline the terms for marketing and selling a property. This agreement serves as a formal contract between the property owner (the seller) and a real estate agent or broker. It details important factors such as the duration of the agreement, the listing price, the commission to be paid to the agent, and the specific responsibilities of both parties. By clearly defining these terms, the listing agreement establishes the framework within which the agent can promote the property, negotiate offers, and facilitate the sale. It ensures that all parties involved have a mutual understanding of the expectations and obligations, which is crucial for a successful transaction. Other options do not accurately reflect the comprehensive nature of a listing agreement. For instance, specifying just the price of a property does not capture the extensive details about marketing and selling strategies. Directly granting occupancy rights to a buyer would typically occur in a purchase agreement rather than a listing agreement. Lastly, a listing agreement is not a lease agreement; leases pertain to rental situations between landlords and tenants, which is a different context altogether.

**5. Which of the following is a key component of a real estate contract?**

**A. Title transfer**

**B. Acceptance**

**C. Lease agreement**

**D. Property inspection**

A key component of a real estate contract is acceptance, which refers to the mutual agreement between the parties involved. For a contract to be valid, all parties must agree on the terms and conditions presented. This includes the price, financing, and any contingencies. Acceptance signifies that the offer made by one party has been agreed upon by another, thereby forming a binding contract. In real estate transactions, acceptance is often documented through signatures from both parties on the contract. This demonstrates their consent and commitment to the agreement. Without acceptance, there would be no meeting of the minds, which is essential for any contract to be enforceable. While title transfer is important in real estate transactions, it occurs after a contract has been formed and accepted. A lease agreement is a type of contract itself but does not encompass the essential elements of a real estate sales contract. Property inspections are a critical aspect of the buying process, often related to contingencies, but they do not form the foundational basis of the contract itself. Therefore, acceptance stands out as the fundamental component that legitimizes a real estate contract.

**6. How long is an Oregon real estate license valid before renewal is required?**

**A. 1 year**

**B. 2 years**

**C. 3 years**

**D. 5 years**

In Oregon, a real estate license is valid for a period of 2 years before renewal is required. This two-year validity period ensures that real estate professionals are regularly updating their knowledge and staying current with any changes in laws, regulations, and practices that govern the real estate industry. After this period, licensees must complete the necessary continuing education requirements and submit a renewal application to maintain their active status. This periodic renewal helps to uphold professional standards and protect consumers within the state.

**7. What happens if a principal broker has not reviewed a licensee's advertising for their own property?**

- A. The advertising must be stopped immediately**
- B. It can be published without penalties**
- C. Only if approved by the listing agent**
- D. It depends on the type of property**

The correct answer indicates that if a principal broker has not reviewed a licensee's advertising for their own property, such advertising can be published without penalties. In real estate practice, while it is ideal for the principal broker to review all advertising to ensure compliance with state laws and regulations, there is a lack of mandatory penalties for failing to do so, especially regarding a licensee advertising their own property. This flexibility allows agents some leeway in marketing their own listings without immediate consequences, as long as they adhere to the general rules of ethical marketing and legal standards. Understanding this principle reflects the ongoing responsibility of agents to act ethically and responsibly in all advertising efforts, even when a principal broker is not involved in reviewing their materials. It highlights the importance of professional accountability while acknowledging the autonomy that licensees have regarding their own properties.

**8. What role does the Multiple Listing Service (MLS) play in real estate?**

- A. It is a website for buyers to search properties**
- B. It is a database used by real estate professionals to share listings**
- C. It provides detailed property history for buyers**
- D. It is a service for homeowners to appraise their properties**

The Multiple Listing Service (MLS) is primarily a database utilized by real estate professionals to share listings. This centralized platform allows real estate agents and brokers to cooperate with each other by combining their property listings, which enhances visibility for sellers and provides a comprehensive resource for buyers looking for properties. By submitting their listings to the MLS, real estate professionals can ensure that a broader audience of agents and potential buyers have access to current information regarding available properties. The MLS facilitates collaboration between agents, which often leads to quicker sales and better market exposure for properties. Each member of the MLS can access detailed information about properties, including price, features, and status updates, fostering a competitive and well-informed marketplace. Though other options mention aspects related to real estate, they do not accurately capture the primary function of the MLS. While a website for buyers or providing property history may seem related, these functions are typically not exclusive to the MLS and do not reflect its key purpose as a cooperative listing tool among real estate professionals. Similarly, appraising properties is distinctly different from the role of the MLS, which is concerned with listing and promoting properties rather than determining their value.

**9. Who typically holds the responsibility of disclosing property defects?**

- A. The property seller**
- B. The real estate agent**
- C. The home inspector**
- D. The buyer**

The property seller typically holds the responsibility of disclosing property defects. In real estate transactions, sellers are legally obligated to provide potential buyers with information about known defects and issues that could affect the property's value or safety. This disclosure is intended to ensure transparency and protect buyers by allowing them to make informed decisions. This responsibility is outlined in various state laws and regulations, including specific forms that sellers must complete to disclose material facts about the property. By doing so, sellers aim to mitigate the risk of future legal issues stemming from undisclosed problems after the sale has been completed. While real estate agents and home inspectors play important roles in the transaction process, they do not have the same legal obligation to disclose defects. Agents may encourage sellers to be forthcoming about issues, and inspectors can report on the condition of the property, but the primary responsibility lies with the seller, who has firsthand knowledge of the property's condition. Buyers, on the other hand, typically rely on the disclosures provided by the seller and the results of inspections when assessing the property.

**10. Which type of document indicates that a mortgage lender will provide loan funds?**

- A. Title insurance document**
- B. Commitment document**
- C. Appraisal report**
- D. Purchase agreement**

The correct choice indicates that a commitment document is a formal agreement from a lender to provide funds for a mortgage loan, subject to certain conditions. This document represents the lender's promise to extend credit to the borrower, confirming that they have reviewed the borrower's financial information and have deemed them creditworthy. It outlines the terms of the loan, such as the amount being offered, the interest rate, and any conditions that must be met before closing. In this context, the other options serve different purposes. A title insurance document protects against defects in the title to the property, ensuring the lender and borrower have a clear title. An appraisal report provides an estimate of the property's value, which is essential for the lender to determine how much they are willing to lend based on collateral. A purchase agreement outlines the terms under which a property will be bought and sold but does not guarantee loan funds from a lender. Therefore, the commitment document specifically communicates the lender's intent to provide loan funds, distinguishing it from the other options.



## 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://oregonrealestate.examzify.com>**

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