

PSI Oklahoma 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

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- 1. The revolving fund is under the management of which entity?**
 - A. Oklahoma Department of Revenue.**
 - B. Oklahoma Real Estate Commission (OREC).**
 - C. Federal Housing Administration.**
 - D. Oklahoma Bureau of Standards.**
- 2. When two or more parties share ownership in property without having rights of survivorship, this is known as?**
 - A. Tenancy in Common**
 - B. Joint Tenancy**
 - C. Partition**
 - D. Trust Ownership**
- 3. When writing a real estate contract, the legal description should not be based on?**
 - A. The property's history**
 - B. The street address**
 - C. Navigational coordinates**
 - D. Survey measurements**
- 4. What is one key detail regarding a "failed" PSI exam?**
 - A. There is no opportunity to review the exam**
 - B. The candidate is awarded a retake immediately**
 - C. The candidate has one hour to review the exam**
 - D. A detailed report of errors is provided**
- 5. Which of the following advertising statements is considered acceptable under Truth-in-Lending?**
 - A. Stating incorrect interest rates**
 - B. Creating misleading promotional offers**
 - C. Disclaiming any fees associated with loans**
 - D. Offering clear disclosure of terms**

6. Who is responsible for paying title insurance?

- A. The seller.**
- B. The buyer.**
- C. The lender.**
- D. The title company.**

7. Why is it significant that no two parcels of land can occupy the same location?

- A. It demonstrates the uniqueness of each property**
- B. It simplifies property management**
- C. It means land can always be divided**
- D. It reduces competition**

8. Which of the following is not a characteristic of value?

- A. Utility**
- B. Scarcity**
- C. Transaction**
- D. Diminishing returns**

9. Which of the following situations would not typically require holding a real estate license?

- A. A buyer purchasing their own property**
- B. An attorney working for a seller or buyer**
- C. A person managing their own rental property**
- D. All of the above**

10. A broker is required to maintain records that?

- A. Are stored digitally only**
- B. Clearly disclose full compliance with the law**
- C. Are kept for a maximum of three years**
- D. Are maintained at the broker's home**

Answers

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

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Explanations

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1. The revolving fund is under the management of which entity?

- A. Oklahoma Department of Revenue.**
- B. Oklahoma Real Estate Commission (OREC).**
- C. Federal Housing Administration.**
- D. Oklahoma Bureau of Standards.**

The revolving fund is managed by the Oklahoma Real Estate Commission (OREC). This organization is responsible for regulating the real estate industry in Oklahoma, which includes overseeing the education and licensing of real estate professionals. The revolving fund serves as a financial resource to support OREC's operations and initiatives, such as funding programs that enhance consumer protection in real estate transactions. The other entities mentioned do have important roles within their respective areas—such as tax administration in the case of the Oklahoma Department of Revenue and housing finance under the Federal Housing Administration—but they do not handle the revolving fund specific to real estate regulation in Oklahoma. The Oklahoma Bureau of Standards focuses on issues related to construction and building codes, which is also outside the scope of real estate licensing and regulation. Thus, the management of the revolving fund is a function distinctly tied to OREC's mission to protect consumers and maintain a stable real estate market in Oklahoma.

2. When two or more parties share ownership in property without having rights of survivorship, this is known as?

- A. Tenancy in Common**
- B. Joint Tenancy**
- C. Partition**
- D. Trust Ownership**

When two or more parties share ownership in property without having rights of survivorship, this arrangement is defined as Tenancy in Common. In this type of ownership, each co-owner holds a separate and distinct share of the property, and there are no rights of survivorship. This means that if one co-owner dies, their share of the property does not automatically pass to the other co-owners; instead, it can be inherited by their heirs or passed according to their will. This form of ownership allows for different proportions of interest among the co-owners. Each tenant in common can transfer or sell their interest independently, and this flexibility is one of the defining features of this arrangement. This contrasts with Joint Tenancy, where co-owners have equal shares and rights of survivorship, meaning that upon the death of one tenant, their share automatically passes to the remaining joint tenants. Understanding these distinctions is vital in real estate practice, as it informs how the property can be managed, sold, or transferred, and it also addresses concerns about inheritance and property rights among owners.

3. When writing a real estate contract, the legal description should not be based on?

- A. The property's history**
- B. The street address**
- C. Navigational coordinates**
- D. Survey measurements**

A real estate contract requires a precise legal description of the property to ensure clarity about what is being bought or sold. The legal description needs to be specific and unambiguous. The legal description should not be based on the street address because a street address can sometimes be vague or inaccurate. For example, multiple properties might share the same street name but differ in other characteristics such as lot numbers or subdivisions. An address can change over time due to city planning or development, which could lead to confusion about the property's actual location. In contrast, legal descriptions based on navigational coordinates, survey measurements, and property history (when appropriately documented) provide concrete and reliable frameworks for defining property boundaries. Survey measurements give exact demarcations, while navigational coordinates can pinpoint a location in a manner that is less prone to ambiguity. Hence, relying solely on a street address can lead to errors and disputes, making it inadequate for legal purposes.

4. What is one key detail regarding a "failed" PSI exam?

- A. There is no opportunity to review the exam**
- B. The candidate is awarded a retake immediately**
- C. The candidate has one hour to review the exam**
- D. A detailed report of errors is provided**

The correct answer highlights that when a candidate fails the PSI exam, they have one hour to review the exam. This opportunity allows candidates to gain insight into the questions they missed and understand the areas where they might need further study or improvement. Reviewing the exam can be crucial for learning and preparing for a retake, as it offers a chance to reflect on specific content and test-taking strategies. In contrast, the other options do not align with the policies typically associated with failing the PSI exam. For instance, candidates generally do not receive an immediate retake option or a detailed report of errors unless specified otherwise by the exam guidelines. The inability to review the exam, while a separate consideration, is ultimately less beneficial than having a dedicated time to reflect on the material tested.

5. Which of the following advertising statements is considered acceptable under Truth-in-Lending?

- A. Stating incorrect interest rates**
- B. Creating misleading promotional offers**
- C. Disclaiming any fees associated with loans**
- D. Offering clear disclosure of terms**

The most suitable response under Truth-in-Lending standards is the option that emphasizes offering clear disclosure of terms. Truth-in-Lending regulations are designed to protect consumers by ensuring that they receive accurate and comprehensive information about the costs associated with credit. This includes the obligation to disclose the annual percentage rate (APR), loan terms, and any fees that may be incurred. Providing clear disclosures allows consumers to make informed decisions by understanding the complete cost of borrowing. This transparency fosters trust in the lending process and ensures compliance with legal requirements. When lenders are upfront about the terms of a loan, they help eliminate misunderstandings and potential deceptive practices, aligning with the fundamental principles of Truth-in-Lending. In contrast, stating incorrect interest rates, creating misleading promotional offers, and disclaiming fees would violate these regulations, as they can lead to consumer deception and financial harm. These practices fail to meet the standards of transparency that Truth-in-Lending aims to uphold, underscoring the importance of clear communication in advertising.

6. Who is responsible for paying title insurance?

- A. The seller.**
- B. The buyer.**
- C. The lender.**
- D. The title company.**

In real estate transactions, the responsibility for paying title insurance can vary, but it is generally the buyer who pays for the title insurance policy that protects their interest in the property. Title insurance provides a safeguard against potential disputes over property ownership and ensures that the title is clear of any liens or claims. This insurance is often required by lenders as a condition for providing a mortgage, but the buyer typically pays for the policy to secure their own interests in the property. While it's true that sellers may sometimes pay for the title insurance as part of negotiations in a sale, standard practice in many regions assigns this cost to the buyer. The lender may also have its own policy to protect its investment, but this does not change the buyer's obligation for their own title insurance. The title company is responsible for issuing the title insurance, but they do not bear the financial burden of the cost associated with it. Understanding this standard helps future real estate professionals navigate transactions effectively and communicate clearly with their clients.

7. Why is it significant that no two parcels of land can occupy the same location?

- A. It demonstrates the uniqueness of each property**
- B. It simplifies property management**
- C. It means land can always be divided**
- D. It reduces competition**

The significance of the fact that no two parcels of land can occupy the same location lies in the uniqueness of each property. This principle is foundational in real estate, as it establishes that every piece of land has distinct characteristics, including its location, topography, zoning, and legal description. This uniqueness affects everything from property value to marketability and development potential. For instance, two properties may be similar in size and features, but their values can differ greatly based on their geographic location, proximity to amenities, or environmental conditions. This uniqueness also plays a critical role in property rights, as landowners possess specific rights to their unique parcels that cannot be infringed upon by others. Thus, this principle reinforces the concept of individuality in real estate, highlighting that each parcel has its own identity and significance within the property's market. While the other options touch on aspects of property management and competition, they do not capture the primary importance of the uniqueness principle in real estate transactions and property rights.

8. Which of the following is not a characteristic of value?

- A. Utility**
- B. Scarcity**
- C. Transaction**
- D. Diminishing returns**

The characteristic of value generally includes utility, scarcity, and diminishing returns among other factors that influence how worth is determined in the context of real estate and other commodities. Utility refers to the usefulness or the ability of a property to satisfy a need or want. It defines how well a property can fulfill the desires of potential users or buyers; without utility, a property would not hold value. Scarcity indicates that the supply of a certain type of property is limited, which can increase its desirability and thus enhance its value. When a resource is scarce, its demand generally increases, which can lead to higher valuations. Diminishing returns describes the principle whereby adding an additional factor of production results in smaller increases in output. In real estate, this concept signifies that after a certain point, additional investment into a property may yield less return than previous investments, impacting its overall value. Transaction, in this context, does not represent a fundamental characteristic of value itself. It reflects an event or occurrence where value is transferred between parties rather than a quality that contributes to the inherent worth of a property. Therefore, it stands out from the others as not being a fundamental characteristic affecting the value of real estate.

9. Which of the following situations would not typically require holding a real estate license?

- A. A buyer purchasing their own property**
- B. An attorney working for a seller or buyer**
- C. A person managing their own rental property**
- D. All of the above**

In the context of real estate licensing, certain situations are exempt from requiring individuals to hold a real estate license. A buyer purchasing their own property doesn't need a license because they are acting in their own interest and are not engaging in a business of buying and selling real estate on behalf of others. This exemption acknowledges personal transactions where assistance from a licensed professional is not mandatory. An attorney working for a seller or buyer is typically exempt from needing a real estate license when performing duties that fall within the scope of their legal work. Attorneys can provide legal advice, represent clients in negotiations, and facilitate real estate transactions, thus bypassing the requirement for a separate real estate license due to their legal qualifications. Similarly, a person managing their own rental property does not need a license because they are overseeing a property they own. The management of one's own rental does not constitute the business of property management on behalf of others, which would require licensure. Given these scenarios, it is clear that none of them typically require a real estate license, leading to the conclusion that all the situations are valid exemptions. This understanding is crucial for real estate professionals and those engaging in property transactions, as it clarifies when licensure is necessary.

10. A broker is required to maintain records that?

- A. Are stored digitally only**
- B. Clearly disclose full compliance with the law**
- C. Are kept for a maximum of three years**
- D. Are maintained at the broker's home**

A broker is required to maintain records that clearly disclose full compliance with the law because this is essential for regulatory purposes and protecting the interests of all parties involved in real estate transactions. Proper record-keeping ensures that the broker can provide evidence of adherence to legal requirements, which can be crucial in case of disputes, audits, or legal challenges. Maintaining accurate records not only demonstrates transparency but also helps in ensuring that the broker is operating within the legal framework established by the state. This includes documentation related to transactions, disclosures, communications, and client agreements. By having comprehensive records, brokers can safeguard against liabilities and foster trust with clients, regulatory agencies, and other stakeholders in the real estate market. Although other options touch on aspects of record-keeping practices, such as storage methods or timeframes, the overarching principle focuses on legal compliance as the primary reason for maintaining these records.

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://psi-oklahoma.examzify.com>

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

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