

SOUTH DAKOTA REAL ESTATE PRACTICE EXAM (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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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. If a buyer wants to include a clause concerning fantastical creatures in a South Dakota sales contract, who can prepare this clause?**
 - A. A licensed salesperson
 - B. A licensed broker
 - C. A licensed attorney
 - D. The buyer themselves
- 2. Which disclosure is specifically required by South Dakota statute?**
 - A. Homeowner's insurance information
 - B. Seller disclosure of known property conditions
 - C. Tenant rental histories
 - D. Future development plans for the area
- 3. What is the minimum notice a landlord must give to terminate a tenancy at will in South Dakota?**
 - A. 15 days
 - B. 30 days
 - C. 60 days
 - D. 90 days
- 4. What is the role of an on-site property manager for Acme Apartments regarding lease negotiation?**
 - A. They must be licensed
 - B. They are exempt from licensing
 - C. They are not allowed to negotiate at all
 - D. They can negotiate leases without a license
- 5. When should a landlord present rules and regulations for tenants?**
 - A. At the signing of the lease
 - B. At the time the tenant enters into the rental agreement
 - C. After the rental agreement
 - D. Only when requested by the tenant

- 6. In South Dakota, who calculates the prorations between buyers and sellers before closing?**
- A. The seller
 - B. The buyer
 - C. The broker
 - D. The lender
- 7. In South Dakota, which of the following can brokers and salespeople who are not lawyers do regarding real estate contracts?**
- A. Draft new contracts from scratch
 - B. Fill in blanks on preprinted form contracts customarily used in their community
 - C. Advise clients on legal matters
 - D. Negotiate terms on behalf of clients
- 8. What must be provided to the South Dakota Real Estate Commission when a salesperson changes brokers?**
- A. Oral notification
 - B. A written notice
 - C. A new application
 - D. Nothing is required
- 9. What is the primary role of a broker in a real estate transaction?**
- A. To negotiate the best price for the buyer only
 - B. To represent both parties equally
 - C. To act as the intermediary between buyers and sellers
 - D. To own the property being sold
- 10. What action can the South Dakota Real Estate Commission take if an unlicensed individual engages in activities requiring a real estate license?**
- A. The matter may be referred to a state's attorney
 - B. A fine may be imposed immediately
 - C. The individual will receive a warning
 - D. The Commission may issue a license retroactively

Answers

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

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Explanations

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1. If a buyer wants to include a clause concerning fantastical creatures in a South Dakota sales contract, who can prepare this clause?

- A. A licensed salesperson
- B. A licensed broker
- C. A licensed attorney**
- D. The buyer themselves

In real estate transactions, particularly when it comes to contract law, it's essential to understand the roles and limitations of various professionals involved. A licensed attorney is qualified to draft, modify, and interpret legal documents, including sales contracts. If a buyer wishes to include a specific clause about fantastical creatures—an unusual request that may require detailed legal language and implications—it's imperative that this clause be crafted by someone with the expertise to ensure it is enforceable and correctly integrated into the contract. While a salesperson or broker can facilitate the sale and help with standard clauses in a contract, they are not authorized to provide legal advice or draft special legal clauses. The buyer could technically attempt to draft such a clause themselves, yet without legal training, they may unintentionally create ambiguity or be unaware of the legal ramifications. Therefore, involving a licensed attorney is crucial to ensure that any unique stipulations are legally sound and protect the buyer's interests effectively.

2. Which disclosure is specifically required by South Dakota statute?

- A. Homeowner's insurance information
- B. Seller disclosure of known property conditions**
- C. Tenant rental histories
- D. Future development plans for the area

In South Dakota, the statute requires sellers to provide a disclosure of known property conditions. This mandatory disclosure is designed to protect both the buyer and the seller, ensuring that buyers are informed of any material defects or issues that may affect the property's value or safety. By revealing existing problems, sellers can minimize liability and foster transparency in the transaction. The disclosure includes a range of information about the property, such as water damage, structural issues, and the presence of lead-based paint, among others. This requirement is intended to facilitate informed decision-making for buyers, allowing them to assess the potential risks and costs associated with the property before finalizing a purchase. Overall, it plays a critical role in promoting honest dealings in the real estate market. Other options, while they may be relevant in various contexts, do not carry the same statutory requirement for disclosure in South Dakota.

3. What is the minimum notice a landlord must give to terminate a tenancy at will in South Dakota?

- A. 15 days
- B. 30 days**
- C. 60 days
- D. 90 days

In South Dakota, the law requires that a landlord must provide a minimum of 30 days' notice to terminate a tenancy at will. This notice period allows tenants adequate time to vacate the property while also granting landlords the ability to manage their rental agreements effectively. A tenancy at will does not have a fixed term and continues until either party decides to end it, making this 30-day notice a reasonable timeframe to ensure both parties can adjust to the change. This notice period is in line with standard practices across many states, highlighting the importance of clear communication in leasing agreements.

4. What is the role of an on-site property manager for Acme Apartments regarding lease negotiation?

- A. They must be licensed**
- B. They are exempt from licensing
- C. They are not allowed to negotiate at all
- D. They can negotiate leases without a license

An on-site property manager for Acme Apartments plays a crucial role in managing the day-to-day operations of the property, which includes responsibilities related to lease negotiations. Their involvement in negotiations often requires a comprehensive understanding of real estate regulations, tenant rights, and lease terms. Having a real estate license ensures that the property manager is knowledgeable about the laws governing rental agreements and can effectively protect both the interests of the landlord and the rights of the tenants. Being licensed also demonstrates a standard level of professionalism and knowledge in real estate practices, which is essential for ensuring compliance with the legal aspects of lease agreements. By being licensed, the on-site property manager can negotiate leases, ensuring that all terms comply with state regulations and that both parties have their interests adequately represented. This contributes to a fair and legally binding agreement that minimizes disputes in the future. Other options may incorrectly imply that the manager could behave without necessary regulations, which could lead to potential legal issues or unprofessional practices. Having a license is vital in upholding the standards necessary for effective property management and lease negotiations.

5. When should a landlord present rules and regulations for tenants?

- A. At the signing of the lease
- B. At the time the tenant enters into the rental agreement**
- C. After the rental agreement
- D. Only when requested by the tenant

The correct answer focuses on the appropriate time for a landlord to present rules and regulations to tenants, which is at the time the tenant enters into the rental agreement. This timing is crucial because it ensures that tenants are fully informed about the rules and expectations associated with their rental unit before they move in. Presenting the rules at this stage allows tenants to understand their rights and obligations, which can help prevent misunderstandings and disputes later on. It establishes clear communication from the start of the landlord-tenant relationship, reinforcing the importance of adhering to the property's regulations. Timely presentation allows tenants to make an informed decision about whether they are willing to comply with those rules, contributing to a smoother rental experience. It also protects the landlord by providing clarity on what is expected, helping to foster a respectful and cooperative living environment.

6. In South Dakota, who calculates the prorations between buyers and sellers before closing?

- A. The seller
- B. The buyer
- C. The broker**
- D. The lender

In South Dakota, the broker typically calculates the prorations between buyers and sellers before closing. This process involves determining the allocation of certain costs associated with the property, such as property taxes, utility bills, and homeowners association fees, for the period before the buyer takes ownership. The broker plays a crucial role in facilitating the transaction and ensuring that both parties are treated fairly in the distribution of these costs. By proactively calculating prorations, the broker helps to clarify each party's financial obligations at closing, which can aid in avoiding disputes that might arise concerning the timing and payment of such costs. In contrast, while the seller and the buyer may have an interest in the prorated amounts, they typically do not take on the responsibility of calculating these figures, as it requires an understanding of the transactional details and often a knowledge of local regulations. The lender's involvement is usually focused on the financing aspects of the transaction rather than the detailed calculations of prorations related to the property itself. Therefore, the broker's role in this context highlights their expertise and responsibility within real estate transactions in South Dakota.

7. In South Dakota, which of the following can brokers and salespeople who are not lawyers do regarding real estate contracts?

- A. Draft new contracts from scratch
- B. Fill in blanks on preprinted form contracts customarily used in their community**
- C. Advise clients on legal matters
- D. Negotiate terms on behalf of clients

In South Dakota, brokers and salespeople who are not licensed attorneys have specific limitations when it comes to handling real estate contracts. The correct answer is that they can fill in blanks on preprinted form contracts customarily used in their community. This is permissible because these preprinted forms are typically designed to cover general terms and conditions necessary for real estate transactions, and the details can be customized to fit the specific situation. By filling in blanks on these forms, real estate professionals can assist clients in completing agreements while remaining compliant with legal guidelines. Drafting contracts from scratch generally requires legal expertise that only licensed attorneys possess, as it involves creating unique language and terms that may need nuanced legal understanding. Advising clients on legal matters also falls outside the scope of practice for brokers and salespeople, as they are not qualified to provide legal advice. Similarly, although negotiating terms on behalf of clients is part of their role, it must be conducted within the framework of using accepted forms rather than creating new legal documents. This distinction is important for ensuring that all parties are protected and that real estate transactions are handled correctly according to the law.

8. What must be provided to the South Dakota Real Estate Commission when a salesperson changes brokers?

- A. Oral notification
- B. A written notice**
- C. A new application
- D. Nothing is required

When a salesperson changes brokers in South Dakota, it is essential to provide a written notice to the South Dakota Real Estate Commission. This requirement ensures that the Commission is kept informed about the status and affiliation of real estate salespersons, which is crucial for maintaining accurate records and regulating the industry. Written notice serves as a formal communication that documents the change and helps to safeguard the integrity of the real estate licensing system. Oral notifications, while they may be communicated informally, do not fulfill the formal requirement set forth by the Commission. A new application is unnecessary because the salesperson's original license remains valid; they simply need to update the Commission on their broker affiliation. Lastly, doing nothing would result in non-compliance with the Commission's regulations, which could lead to disciplinary action or complications for the salesperson's license. Therefore, providing written notice is the correct procedure and maintains professional standards within the industry.

9. What is the primary role of a broker in a real estate transaction?

- A. To negotiate the best price for the buyer only
- B. To represent both parties equally
- C. To act as the intermediary between buyers and sellers**
- D. To own the property being sold

The primary role of a broker in a real estate transaction is to act as the intermediary between buyers and sellers. This function is crucial as brokers facilitate communication and negotiations between the parties involved, helping to ensure that the transaction moves forward smoothly. They provide valuable guidance throughout the process, from listing the property to closing the sale, and they work to satisfy both their clients' interests and legal obligations. While a broker may represent either the buyer or seller, acting as the intermediary allows them to coordinate the transaction effectively, ensuring that both sides have the support they need. This role often involves presenting offers and counteroffers, advising on pricing and terms, and helping to resolve any disputes that may arise. The other options do not capture the full scope of a broker's responsibilities. While negotiating a good price is important, a broker's role encompasses much more than that. They must also adhere to their fiduciary duties, which can include loyalty, full disclosure, and the utmost care to both parties, rather than representing both parties equally without bias. Moreover, ownership of the property is unrelated to a broker's primary duties, as their role is to facilitate transactions rather than to buy or sell properties on their own behalf.

10. What action can the South Dakota Real Estate Commission take if an unlicensed individual engages in activities requiring a real estate license?

- A. The matter may be referred to a state's attorney**
- B. A fine may be imposed immediately
- C. The individual will receive a warning
- D. The Commission may issue a license retroactively

The correct action when an unlicensed individual engages in activities that require a real estate license is that the matter may be referred to a state's attorney. This referral allows for legal action to be taken against the individual, as unauthorized practice of real estate is a violation of state law. By involving the state's attorney, the commission ensures that there are appropriate legal consequences for actions that undermine the regulatory framework intended to protect consumers and maintain the integrity of the real estate profession. In contrast, imposing a fine immediately may not be viable since the process typically requires legal proceedings to establish guilt or wrongdoing. Issuing a warning is generally not an effective measure when dealing with unauthorized practice because it does not adequately address the violation. Likewise, retroactive licensing is not permissible as licenses cannot be granted after the fact for activities already undertaken without a license. This is designed to uphold the standards and requirements established by the commission for practicing real estate in South Dakota.

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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://sdrealestate.examzify.com>

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

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