

Superior Real Estate School Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of 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. Don't worry about getting everything right, 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, and take breaks to retain information better.

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.

7. Use Other Tools

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!

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Questions

- 1. To qualify for the owner-occupied capital gains exclusion, how long must the owner occupy the home before the sale?**
 - A. Two consecutive years out of the last five**
 - B. For any two years during ownership**
 - C. For two years out of the last five years prior to the sale**
 - D. The exclusion amount is \$500,000 per person**
- 2. What is the primary legal implication of a unilateral contract?**
 - A. Both parties must perform**
 - B. Only one party is obligated to perform**
 - C. The contract must be in writing**
 - D. It cannot be enforced in court**
- 3. Under which listing agreement does the seller lose their right to compete for commission?**
 - A. Open listing**
 - B. Exclusive agency listing**
 - C. Exclusive right to sell listing**
 - D. Net listing**
- 4. How many members of the North Carolina Real Estate Commission must have a license?**
 - A. Five members**
 - B. Two members**
 - C. Three members**
 - D. All nine members**
- 5. A seller informs the listing agent about asbestos in the heating closet area. What should the listing agent communicate to prospective buyers?**
 - A. There is no dangerous asbestos in this home.**
 - B. The asbestos was tested and poses no danger.**
 - C. The home has asbestos.**
 - D. I am not aware of any dangerous asbestos in the home.**

- 6. Who must receive the North Carolina Working With Real Estate Agents brochure?**
- A. Only property owners upon initial contact**
 - B. All consumers upon initial contact**
 - C. Only clients in a transaction at first substantial contact**
 - D. All consumers in a sales transaction no later than first substantial contact**
- 7. The doctrine of "constructive eviction" requires the lessor to maintain the property in a "fit and habitable" condition. Which areas of the property does this cover?**
- A. Common hallway leading to the apartment units only**
 - B. Parking lot only**
 - C. Both common hallway and parking lot**
 - D. Neither common hallway nor parking lot**
- 8. What must tenants living in foreclosed residential properties do, according to federal law?**
- A. Vacate the property within 48 hours of foreclosure**
 - B. Vacate within 30 days if the new owner wishes to occupy**
 - C. Occupy the unit until the end of their lease period**
 - D. Receive at least a 90-day notice to vacate**
- 9. When fencing materials are used to enclose a yard, what process converts them to real estate?**
- A. Severance**
 - B. Annexation**
 - C. Immobility**
 - D. Indestructibility**
- 10. All of the following statements are correct regarding the NCREC, EXCEPT:**
- A. They shall be entitled to the services of the Attorney General of North Carolina.**
 - B. They shall not regulate commissions, salaries, or fees.**
 - C. They may allow a licensee to pay a referral fee to a non-licensed agent.**
 - D. They shall make rules inconsistent with general statutes.**

Answers

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

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Explanations

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1. To qualify for the owner-occupied capital gains exclusion, how long must the owner occupy the home before the sale?
 - A. Two consecutive years out of the last five
 - B. For any two years during ownership
 - C. For two years out of the last five years prior to the sale**
 - D. The exclusion amount is \$500,000 per person

The owner-occupied capital gains exclusion allows homeowners to exclude a portion of capital gains from tax when they sell their primary residence. To qualify for this exclusion, the owner must have occupied the home as their primary residence for two years out of the last five years leading up to the sale. This specific timeframe accounts for any changes in life circumstances, such as moving for a job or other reasons, while still allowing homeowners to benefit from the exclusion if they have lived in the home long enough. This requirement ensures that the homeowner has developed a genuine connection with the property as their primary residence, rather than merely using it as an investment. The timeframe of two years out of the last five creates a reasonable guideline for residency, balancing flexibility for the homeowner while also establishing eligibility parameters for tax benefits. Other options lack this precise timeframe requirement. While two consecutive years suggests continuous occupancy, it doesn't consider flexible living arrangements that might still qualify for the exclusion as long as the two-year requirement within the five-year window is met. The option stating that there is an exclusion amount defined as \$500,000 is also true but it does not address the occupancy requirements necessary for qualification.

2. What is the primary legal implication of a unilateral contract?
 - A. Both parties must perform
 - B. Only one party is obligated to perform**
 - C. The contract must be in writing
 - D. It cannot be enforced in court

In a unilateral contract, only one party is obligated to perform their part of the agreement. This type of contract is often seen in scenarios where one party makes a promise in exchange for an act from another party. For instance, if someone offers a reward for a lost pet, they are legally bound to pay the reward once the pet is found, but the person finding the pet is not obligated to do anything in return until the act is performed. The nature of unilateral contracts inherently leads to one-sided obligations, which distinguishes them from bilateral contracts, where both parties commit to fulfilling their respective duties. This understanding is pivotal, as it allows individuals to engage in agreements with the expectation of fulfilling specific obligations without requiring mutual promises. Other options presented do not capture the essence of unilateral contracts: a requirement for both parties to perform does not reflect the structure of unilateral agreements; a writing requirement may exist for certain types of contracts but is not a defining aspect; and while unilateral contracts can generally be enforced in court, they do not inherently lack enforceability.

3. Under which listing agreement does the seller lose their right to compete for commission?

- A. Open listing**
- B. Exclusive agency listing**
- C. Exclusive right to sell listing**
- D. Net listing**

The exclusive right to sell listing is significant because it grants the listing agent the sole authority to represent the seller in the sale of the property. Under this type of agreement, the seller cannot sell the property themselves without having to pay the agent's commission, regardless of who ultimately sells the property. This arrangement provides the agent with an incentive to market the property effectively since they are guaranteed a commission if the property is sold during the term of the listing. This contrasts with other listing agreements—such as open listings, where multiple agents may work to sell the property and only the agent who brings in the buyer earns a commission, and exclusive agency listings, where the seller retains the right to sell the property independently without owing a commission to the agent if they find a buyer on their own. The net listing agreement also allows the seller a level of competition regarding the sale proceeds, as it involves setting a minimum price that the seller wants to receive, with the agent keeping the amount over that price as commission. Therefore, the exclusive right to sell listing distinctly removes the seller's competitive ability regarding commission, making it the correct choice.

4. How many members of the North Carolina Real Estate Commission must have a license?

- A. Five members**
- B. Two members**
- C. Three members**
- D. All nine members**

The correct answer is that three members of the North Carolina Real Estate Commission must hold a real estate license. This requirement ensures that the commission includes individuals who have practical experience and understanding of the real estate industry, providing a balanced perspective that benefits regulatory decision-making. Having members with real estate licenses contributes valuable insights into the challenges and practices of working agents. It helps the commission to effectively regulate the real estate profession while considering the implications of its rules and policies on those actively engaged in real estate activities. The presence of licensed professionals also supports the integrity and relevance of the commission's work, as these members can advocate for the needs and standards of licensed practitioners. The other potential answers suggest a different number for licensed members, which does not align with the structured requirements set by North Carolina regulations. The commission comprises nine total members, but only the three with licenses ensure the representation of the profession within the regulatory framework.

5. A seller informs the listing agent about asbestos in the heating closet area. What should the listing agent communicate to prospective buyers?

- A. There is no dangerous asbestos in this home.**
- B. The asbestos was tested and poses no danger.**
- C. The home has asbestos.**
- D. I am not aware of any dangerous asbestos in the home.**

The correct choice, indicating that the home has asbestos, is founded on the principle of full disclosure and transparency in real estate transactions. When a seller informs the listing agent about the presence of asbestos, it is the agent's responsibility to communicate this information to prospective buyers. This choice aligns with the legal obligation to disclose material facts about the property that could impact a buyer's decision. Failing to disclose known asbestos could expose the agent and the seller to legal repercussions if a buyer discovers the material after the purchase, particularly since asbestos can pose health risks under certain conditions. In contrast, the other options do not fulfill the requirement for full disclosure. Stating that there is "no dangerous asbestos" downplays the relevance of the information regarding the presence of the material and may be misleading. Saying that the asbestos has been tested and poses no danger implies an assurance that may not be verifiable without documentation or professional assessment. Lastly, claiming unawareness about the presence of dangerous asbestos can neglect the agent's duty to communicate known issues, making it an inadequate response. By sharing that the home has asbestos, the agent ensures that buyers are fully informed and can make decisions accordingly.

6. Who must receive the North Carolina Working With Real Estate Agents brochure?

- A. Only property owners upon initial contact**
- B. All consumers upon initial contact**
- C. Only clients in a transaction at first substantial contact**
- D. All consumers in a sales transaction no later than first substantial contact**

The correct answer is that all consumers in a sales transaction must receive the North Carolina Working With Real Estate Agents brochure no later than first substantial contact. This requirement is in place to ensure that consumers are informed about their rights and the nature of the agency relationships within real estate transactions. The brochure serves as an important educational tool that outlines the roles and responsibilities of real estate agents and helps consumers understand their options, whether they are buyers or sellers. Providing this information during first substantial contact helps to establish transparency in the agent-consumer relationship and aids consumers in making informed decisions. By receiving this brochure promptly, consumers can better comprehend agency relationships and navigate the complexities of real estate transactions with greater confidence. Other options suggest limitations that do not align with the regulatory requirements. For instance, stating that only property owners or only clients in a transaction should receive the brochure does not encompass the broader audience intended by the regulation. This ensures that every potential consumer has access to the necessary information upfront, regardless of their immediate intent to buy or sell.

7. The doctrine of "constructive eviction" requires the lessor to maintain the property in a "fit and habitable" condition. Which areas of the property does this cover?

A. Common hallway leading to the apartment units only

B. Parking lot only

C. Both common hallway and parking lot

D. Neither common hallway nor parking lot

The doctrine of constructive eviction holds that landlords are legally required to maintain their rental properties in a condition that is fit for habitation. This concept includes all areas that contribute to the overall livability of the property, not just the interior spaces. In this case, both the common hallway and the parking lot play essential roles in providing a safe and accessible living environment for tenants. A common hallway is typically a significant aspect of an apartment complex, allowing for entry and exit from units, and it should be maintained to ensure it is safe and clean. Similarly, the parking lot is crucial for tenants' ability to access their vehicles and, therefore, is also part of the overall habitability of the property. Thus, the correct answer recognizes that both the common hallway and the parking lot are included in the landlord's responsibility under the doctrine of constructive eviction. This understanding emphasizes the complete obligation of the lessor to maintain all shared and accessible areas of the property to ensure a fit and habitable living environment.

8. What must tenants living in foreclosed residential properties do, according to federal law?

A. Vacate the property within 48 hours of foreclosure

B. Vacate within 30 days if the new owner wishes to occupy

C. Occupy the unit until the end of their lease period

D. Receive at least a 90-day notice to vacate

Tenants living in foreclosed residential properties are entitled to certain protections under federal law, specifically the Protecting Tenants at Foreclosure Act (PTFA). This law ensures that tenants cannot be immediately evicted after a foreclosure and establishes a requirement for landlords to provide a notice before eviction can take place. According to the PTFA, tenants must receive at least a 90-day notice to vacate if the new owner of the property intends to terminate their tenancy. This means that even after foreclosure, tenants have the right to remain in their homes for at least 90 days, allowing them time to find alternative housing. The federal law aims to provide some security and stability for tenants who may be caught in the unfortunate circumstance of a foreclosure, ensuring that they are not abruptly displaced. This legal framework acknowledges the tenant's situation and emphasizes the importance of proper notice during the transition of property ownership, making it clear that they have rights that need to be respected.

9. When fencing materials are used to enclose a yard, what process converts them to real estate?

- A. Severance**
- B. Annexation**
- C. Immobility**
- D. Indestructibility**

When fencing materials are used to enclose a yard, they transition from personal property to real estate through the process known as annexation. This process occurs when an individual attaches or installs items permanently to the land, thereby altering their status. Fencing, as a physical structure placed on the property and intended to remain there, becomes part of the real estate. Annexation is essential in real estate as it involves the integration of personal property into the land, increasing the overall value and defining the boundaries of the property. This is why materials that are physically affixed to the land, like fences, are considered real property once they have been installed. Other concepts listed, such as severance, immobility, and indestructibility, pertain to different aspects of real estate. Severance refers to the process of detaching real property from the land, while immobility highlights that land cannot be moved. Indestructibility emphasizes the durability of land over time. While these are important concepts in real estate, they do not apply to the process of converting fencing materials into real estate, which is specifically accomplished through annexation.

10. All of the following statements are correct regarding the NCREC, EXCEPT:

- A. They shall be entitled to the services of the Attorney General of North Carolina.**
- B. They shall not regulate commissions, salaries, or fees.**
- C. They may allow a licensee to pay a referral fee to a non-licensed agent.**
- D. They shall make rules inconsistent with general statutes.**

The statement about the NCREC making rules inconsistent with general statutes is inaccurate because regulatory agencies like the North Carolina Real Estate Commission (NCREC) are required to operate within the boundaries of the laws set by the state legislature. Regulatory bodies can establish rules and guidelines to provide clarity and detail on how statutory mandates are implemented, but these rules must always align with existing laws. Rules that contradict statutes would be invalid and unenforceable, as agencies do not have the authority to create regulations that are at odds with the law. On the other hand, the other statements reflect accurate aspects of the NCREC's responsibilities and powers. They can utilize the Attorney General's services for legal matters, maintain a non-involvement stance regarding the regulation of commissions, salaries, or fees charged by real estate professionals, and typically, allow licensees to pay referral fees to unlicensed individuals under certain conditions, adhering to the regulations governing such transactions. Each of these points illustrates the operational framework and regulatory obligations of the NCREC while reinforcing the point that their authority is bound by existing general statutes.

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://superiorrealestate.examzify.com>

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