

# Texas Legal Update I

## Practice Test (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**

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- 1. According to TREC rule, how many times must a broker provide coaching and training to a sponsored sales agent engaged in a new type of brokerage activity?**
  - A. The first time they engage**
  - B. The first two times they engage**
  - C. The first three times they engage**
  - D. Each subsequent engagement**
- 2. What aspect of lease agreements is included in the updates to the TREC Farm and Ranch Contract?**
  - A. Yearly renewal terms**
  - B. Surface leases**
  - C. Short-term rentals**
  - D. Family leases**
- 3. Which of the following is NOT a characteristic of valid consent in Texas contracts?**
  - A. Informed**
  - B. Voluntary**
  - C. Written**
  - D. Given by a person with legal capacity**
- 4. In Texas, what is the primary function of the State Bar?**
  - A. To create laws for the state**
  - B. To regulate the practice of law and support attorneys**
  - C. To oversee public health and safety**
  - D. To manage state funding for education**
- 5. What must sellers disclose according to a 2023 update to TREC forms?**
  - A. Whether the property has a swimming pool**
  - B. Whether the property is located in a floodplain**
  - C. Whether the property is under a conservation easement**
  - D. Whether the property has an HOA**

**6. What legal action is TREC NOT authorized to take against a sales agent found to have discriminated?**

- A. Requiring the agent to attend sensitivity training**
- B. Revoking the agent's license**
- C. Issuing a public statement against the agent**
- D. Suspending the agent's license**

**7. What is the primary requirement for valid consent in Texas contracts?**

- A. It must be written and notarized**
- B. It must be implied by conduct**
- C. It must be informed, voluntary, and given by a person with legal capacity**
- D. It must be witnessed by a third party**

**8. What is the function of the Texas Board of Pardons and Paroles?**

- A. To recommend sentencing for convicted individuals.**
- B. To determine parole eligibility and conditions for inmates.**
- C. To oversee all legal practices in Texas.**
- D. To manage the state correctional facilities.**

**9. What is the legal age to enter into a contract in Texas?**

- A. 16 years old**
- B. 18 years old**
- C. 21 years old**
- D. None of the above**

**10. What defines a class-action lawsuit?**

- A. A legal action filed by an individual.**
- B. A legal action filed by one or more individuals on behalf of a larger group with similar claims.**
- C. A legal action filed solely for monetary gain.**
- D. A legal action that only addresses criminal cases.**

## **Answers**

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

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## **Explanations**

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**1. According to TREC rule, how many times must a broker provide coaching and training to a sponsored sales agent engaged in a new type of brokerage activity?**

- A. The first time they engage**
- B. The first two times they engage**
- C. The first three times they engage**
- D. Each subsequent engagement**

The correct response regarding the number of times a broker must provide coaching and training to a sponsored sales agent engaged in a new type of brokerage activity is three times. This requirement ensures that the sales agent is adequately equipped with the knowledge and skills necessary to conduct the new activities competently and in compliance with legal and ethical standards. The rationale behind mandating coaching for the first three engagements is to provide the agent ample opportunity to learn and adapt to the new type of brokerage activity. This training can include vital information on regulations, best practices, and operational procedures specific to that activity, ensuring the agent is not only capable of performing the tasks but also understanding the implications involved in those activities. By focusing on three distinct engagements, the TREC rule emphasizes the importance of practical experience coupled with ongoing education, allowing agents to build their confidence and proficiency in unfamiliar areas. This approach helps protect consumers by fostering skilled practitioners in the Texas real estate market.

**2. What aspect of lease agreements is included in the updates to the TREC Farm and Ranch Contract?**

- A. Yearly renewal terms**
- B. Surface leases**
- C. Short-term rentals**
- D. Family leases**

The inclusion of surface leases in the updates to the TREC Farm and Ranch Contract is significant because these leases specifically address the rights related to the use of land for surface operations and activities. Surface leases can involve various agricultural activities, mineral extraction, or other surface rights and obligations that may affect the property's use or value. When surface leases are referenced in farm and ranch leasing agreements, they provide clarity on what is permissible on the land and protect both the landlord's and tenant's interests. This is crucial in agricultural contracts where the management and utilization of land can have substantial impacts on productivity and profitability. Yearly renewal terms, short-term rentals, and family leases refer to different aspects of leasing that are typical in other types of lease agreements but may not directly relate to the specific updates made to the TREC Farm and Ranch Contract. These elements are more aligned with residential or commercial leasing practices rather than the specific considerations and conditions unique to agricultural properties in the context of surface use and rights. Thus, the focus on surface leases reflects the tailored needs of those engaged in farming and ranching activities.

**3. Which of the following is NOT a characteristic of valid consent in Texas contracts?**

- A. Informed**
- B. Voluntary**
- C. Written**
- D. Given by a person with legal capacity**

Valid consent in Texas contracts must be informed, voluntary, and given by a person with legal capacity. While contracts can certainly be written, there is no strict requirement in Texas law that all valid contracts must be in writing to be enforceable, with some exceptions for certain types of contracts under the Statute of Frauds. Informed consent means that all parties understand the terms and implications of the contract. Voluntary consent indicates that all parties agree to the terms freely, without coercion or undue influence. Finally, consent must be given by individuals who have the legal capacity to enter a contract, typically meaning they are of legal age and mentally competent. While it may often be advisable to have contracts documented in writing for clarity and enforcement purposes, the lack of a written form does not intrinsically invalidate the consent or the contract, provided that all other conditions of valid consent are satisfied.

**4. In Texas, what is the primary function of the State Bar?**

- A. To create laws for the state**
- B. To regulate the practice of law and support attorneys**
- C. To oversee public health and safety**
- D. To manage state funding for education**

The primary function of the State Bar of Texas is to regulate the practice of law and support attorneys. This includes maintaining professional standards and ethics for legal practitioners, providing continuing education for attorneys, and overseeing the licensing and disciplinary actions related to attorneys in Texas. The State Bar serves as the administrative body for the licensing of attorneys and ensures compliance with legal standards, which is essential for maintaining public trust in the legal profession. Additionally, the State Bar plays a role in providing resources and support for attorneys, such as legal research tools, networking opportunities, and professional development. By focusing on these regulatory and supportive functions, the State Bar helps to ensure that the legal system operates fairly and effectively, enhancing the overall integrity of the legal profession in Texas. In contrast, the other options listed do not align with the State Bar's primary responsibilities. Creating laws, overseeing public health and safety, and managing state funding for education are functions typically associated with legislative and governmental entities, not a professional regulatory body like the State Bar.

## 5. What must sellers disclose according to a 2023 update to TREC forms?

- A. Whether the property has a swimming pool
- B. Whether the property is located in a floodplain**
- C. Whether the property is under a conservation easement
- D. Whether the property has an HOA

Sellers are required to disclose whether the property is located in a floodplain due to the significant implications this information can have for potential buyers. Properties within a floodplain are at a heightened risk of flooding, which can affect not only the safety and livability of the home but also the type of insurance that might be required, such as flood insurance, and the overall value of the property. This requirement aligns with the principle of transparency in real estate transactions, ensuring that buyers have all the necessary information to make informed decisions about their investments. In contrast, while the other options—swimming pools, conservation easements, and homeowners associations—can certainly affect a buyer's decision, they do not carry the same level of critical risk associated with floodplain disclosures. Thus, the focus on floodplains reflects the priority of addressing health, safety, and financial security in property transactions.

## 6. What legal action is TREC NOT authorized to take against a sales agent found to have discriminated?

- A. Requiring the agent to attend sensitivity training
- B. Revoking the agent's license
- C. Issuing a public statement against the agent**
- D. Suspending the agent's license

The Texas Real Estate Commission (TREC) is primarily focused on regulating real estate practices and ensuring compliance with established laws and standards. When it comes to addressing issues of discrimination by a sales agent, TREC has legal mechanisms in place to impose sanctions that directly relate to the agent's licensure status. This includes significant actions like revoking or suspending an agent's license for violations of the law, which are designed to ensure public protection and uphold ethical standards in real estate transactions. However, issuing a public statement against an agent does not fall within TREC's enforcement authority. While TREC can take disciplinary action that affects an agent's ability to practice—such as license suspension, revocation, or other measures like requiring sensitivity training—the issuance of public statements is not a recognized or authorized sanction. This highlights the importance of the regulatory role that TREC plays rather than a role of public opinion or shaming those individuals. Thus, the correct understanding of TREC's authorized actions centers on their focus on licensure and compliance rather than public relations strategies.

## 7. What is the primary requirement for valid consent in Texas contracts?

- A. It must be written and notarized**
- B. It must be implied by conduct**
- C. It must be informed, voluntary, and given by a person with legal capacity**
- D. It must be witnessed by a third party**

The primary requirement for valid consent in Texas contracts hinges on the understanding that consent must be informed, voluntary, and provided by an individual with legal capacity. This means that the parties entering into a contract must fully understand the terms and implications of the agreement, must freely agree to those terms without coercion or duress, and must possess the legal ability to enter into a contract, which typically requires them to be of legal age and mentally competent. Informed consent ensures that all parties are aware of what they are agreeing to, including any risks involved. Voluntary consent signifies that the agreement is made freely and without pressure, ensuring that the essence of a consensual agreement is respected. Additionally, legal capacity emphasizes the importance of the parties' ability to understand and engage in the contract legally. Other options, while relevant in specific contexts, do not encompass the fundamental aspects required for valid consent. Consent does not always need to be written and notarized; it can be valid in oral agreements depending on the type of contract, although certain contracts must be in writing to be enforceable under the Statute of Frauds. Implied consent through conduct may apply in certain situations but is less definitive than explicit consent. Lastly, witness requirements can vary and are not uniformly necessary.

## 8. What is the function of the Texas Board of Pardons and Paroles?

- A. To recommend sentencing for convicted individuals.**
- B. To determine parole eligibility and conditions for inmates.**
- C. To oversee all legal practices in Texas.**
- D. To manage the state correctional facilities.**

The Texas Board of Pardons and Paroles plays a crucial role in the parole system by determining the eligibility of inmates for parole and setting specific conditions that must be met while on parole. This function is essential for overseeing the reintegration of individuals into society after serving their prison sentences. The board evaluates factors such as behavior during incarceration, the nature of the offense, and the inmate's potential for rehabilitation when making these determinations. In contrast, the other options do not accurately reflect the primary duties of the board. They are focused on other aspects of the criminal justice system, which are outside the purview of the Board of Pardons and Paroles. For example, recommending sentencing is typically handled by judges, while overseeing legal practices involves regulatory bodies outside the board's functions. Additionally, managing state correctional facilities falls under the jurisdiction of the Texas Department of Criminal Justice, not the Board of Pardons and Paroles.

## 9. What is the legal age to enter into a contract in Texas?

- A. 16 years old
- B. 18 years old**
- C. 21 years old
- D. None of the above

In Texas, the legal age to enter into a contract is 18 years old. At this age, individuals are considered adults and have the capacity to enter into binding agreements. This threshold is consistent with many states in the U.S., where 18 is recognized as the age of majority. Contracts made by individuals younger than 18 may typically be voidable at the discretion of the minor. This means that they can choose to affirm or void the contract upon reaching the age of majority. The law protects minors by allowing them to disaffirm contracts to avoid being bound by agreements they may not fully understand or that may not be in their best interest. Understanding this legal standard helps individuals navigate when a contract is enforceable and the implications of contracting with minors.

## 10. What defines a class-action lawsuit?

- A. A legal action filed by an individual.
- B. A legal action filed by one or more individuals on behalf of a larger group with similar claims.**
- C. A legal action filed solely for monetary gain.
- D. A legal action that only addresses criminal cases.

A class-action lawsuit is defined as a legal action filed by one or more individuals on behalf of a larger group with similar claims. This legal structure allows a group of people, who may have suffered similar harm or have similar legal grievances, to come together and consolidate their claims into a single lawsuit. This is particularly useful in cases where individual claims might be too small to justify the cost of litigation on their own, ensuring that the concerns of many individuals can be addressed efficiently and effectively. The nature of a class-action lawsuit is rooted in the idea of collective redress. By allowing individuals to band together, it not only makes the process more efficient but also ensures that judicial resources are utilized effectively and that plaintiffs have a stronger position against potentially powerful defendants. This form of litigation often involves issues such as consumer rights, employment disputes, or environmental concerns, making it a vital aspect of the legal system that promotes access to justice for groups of people with common interests.

# 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://txlegalupdate1.examzify.com>**

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

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