

TREC Sales Agent Practice Exam (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. What type of regulation does "Zoning" involve?**
 - A. Restrictions on financial transactions**
 - B. Land use regulations set by local authorities**
 - C. Mediation between property owners**
 - D. Guidance for property tax calculations**

- 2. For the deed of a homestead property to be valid, who must sign it?**
 - A. Only the owner of the property**
 - B. Both spouses if the property is community property**
 - C. The lender and the borrower**
 - D. The agent and the seller**

- 3. What is the statutory period of redemption for properties foreclosed on for non-payment of homeowner's association dues in Texas?**
 - A. 90 days**
 - B. 120 days**
 - C. 180 days**
 - D. 360 days**

- 4. What is the primary purpose of a listing agreement?**
 - A. To sell the property at the highest possible price**
 - B. To define the agent's commission rate**
 - C. To establish terms under which a property will be sold**
 - D. To outline buyer financing options**

- 5. Which of these leases is enforceable in Texas?**
 - A. A verbal two-year lease agreement**
 - B. A written lease signed by an unauthorized representative**
 - C. An oral property conveyance between two individuals**
 - D. A verbal 30-day month-to-month lease**

- 6. What must a broker prove to file court action to collect an unpaid fee?**
- A. They were licensed at the time the fee was earned**
 - B. A written contract with the buyer**
 - C. That the fee was disclosed verbally**
 - D. Compliance with local zoning laws**
- 7. What consequence may result if the TREC makes a payment from the Real Estate Trust Account for a license holder?**
- A. The license holder may receive a warning.**
 - B. The license holder's license may be suspended.**
 - C. The license holder's license may be revoked.**
 - D. The license holder may be required to repay the amount.**
- 8. In property transactions, what is the significance of the "Earnest Money Deposit"?**
- A. It is non-refundable in all cases**
 - B. It solidifies the buyer's commitment to the purchase**
 - C. It compensates the seller for lost sales opportunities**
 - D. It acts as a loan down payment**
- 9. What is the main benefit of having a title search performed during the property buying process?**
- A. To establish the appraisal value**
 - B. To identify any liens or ownership issues on the property**
 - C. To simplify the closing process**
 - D. To secure financing for the buyer**
- 10. What is the typical licensing period for a real estate agent in Texas?**
- A. One year**
 - B. Two years**
 - C. Three years**
 - D. Five years**

Answers

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

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Explanations

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1. What type of regulation does "Zoning" involve?

- A. Restrictions on financial transactions
- B. Land use regulations set by local authorities**
- C. Mediation between property owners
- D. Guidance for property tax calculations

The correct answer is related to land use regulations established by local authorities. Zoning is a key tool used by municipalities to control how land within their jurisdiction is used. This can include designating areas for residential, commercial, industrial, or agricultural purposes, thereby ensuring that land is used in ways that are compatible with the surrounding community and that promote public health, safety, and welfare. Zoning laws help to prevent conflicts between different types of land uses and provide a framework for the growth and development of a community. The other choices address different aspects of property and financial transactions. The first option concerns regulations around financial dealings, which are not directly tied to land use itself. Mediation between property owners is a process to resolve disputes, which does not encompass zoning regulations. Finally, guidance for property tax calculations pertains to fiscal matters and does not involve the zoning laws that dictate land use. Thus, the essence of zoning clearly aligns with the definition provided in the correct answer.

2. For the deed of a homestead property to be valid, who must sign it?

- A. Only the owner of the property
- B. Both spouses if the property is community property**
- C. The lender and the borrower
- D. The agent and the seller

The validity of a deed concerning homestead property hinges significantly on the nature of ownership in Texas, where community property laws come into play. When property is classified as community property, both spouses hold an equal interest in that property. Therefore, for a deed to effectively convey ownership, the signatures of both spouses are required. This requirement protects the interests of both partners in the marriage and ensures that neither spouse can unilaterally transfer property that is jointly owned without the consent of the other. In contrast, signing by only one spouse could lead to disputes regarding ownership rights, especially in the event of divorce or death. This reflects the legal principle aimed at securing both partners' rights in community property arrangements within the marital context, thus ensuring the deed is valid and enforceable.

3. What is the statutory period of redemption for properties foreclosed on for non-payment of homeowner's association dues in Texas?

- A. 90 days**
- B. 120 days**
- C. 180 days**
- D. 360 days**

In Texas, the statutory period of redemption for properties foreclosed on for non-payment of homeowner's association dues is indeed 180 days. This period allows property owners the opportunity to reclaim their property after a foreclosure sale by paying the amount owed, plus any applicable fees and costs. The 180-day redemption period is particularly important for homeowners who may have unexpectedly lost their property due to financial difficulties related to their homeowner's association dues. This timeframe is set to provide a reasonable balance between the rights of creditors, who have a legitimate interest in the outstanding dues, and the homeowners, who may need time to secure the necessary funds to redeem their property. Understanding the operational implications of this period helps consumers in Texas navigate the foreclosure process more effectively.

4. What is the primary purpose of a listing agreement?

- A. To sell the property at the highest possible price**
- B. To define the agent's commission rate**
- C. To establish terms under which a property will be sold**
- D. To outline buyer financing options**

The primary purpose of a listing agreement is to establish the terms under which a property will be sold. This legal document serves as a contract between the property owner and the real estate agent, detailing the responsibilities of both parties, the duration of the agreement, and the specific conditions for selling the property. By clearly defining these terms, the listing agreement ensures that both the seller and the agent are aligned on expectations and processes, facilitating a smoother transaction. While obtaining the highest price and defining the agent's commission rate are important components of the sales process, they are not the primary aim of the listing agreement itself. The option about outlining buyer financing options is not relevant here, as the listing agreement primarily focuses on the seller's requirements and the selling process rather than buyer financing.

5. Which of these leases is enforceable in Texas?

- A. A verbal two-year lease agreement**
- B. A written lease signed by an unauthorized representative**
- C. An oral property conveyance between two individuals**
- D. A verbal 30-day month-to-month lease**

The lease that is enforceable in Texas is the verbal 30-day month-to-month lease. In Texas, a lease for a duration of less than one year can be established verbally and is considered valid. A month-to-month lease allows either party to terminate the agreement with proper notice, typically 30 days, which aligns with the oral nature of the lease in this case. The agreement's flexibility and short duration make it suitable for verbal formation. Other options present issues that invalidate them within Texas law. A verbal two-year lease agreement lacks the necessary written form required for leases longer than one year under the Statute of Frauds. A written lease signed by an unauthorized representative cannot be enforced because it lacks the proper authority to bind the parties involved. An oral property conveyance between two individuals is subject to the same statutory requirements for real estate transactions, requiring written documentation to be enforceable. Hence, the verbal 30-day month-to-month lease stands as the only enforceable option in this scenario.

6. What must a broker prove to file court action to collect an unpaid fee?

- A. They were licensed at the time the fee was earned**
- B. A written contract with the buyer**
- C. That the fee was disclosed verbally**
- D. Compliance with local zoning laws**

To file a court action to collect an unpaid fee, a broker must demonstrate that they were licensed at the time the fee was earned. This is crucial because real estate laws require brokers to maintain an active license in order to legally earn and claim any commissions or fees associated with real estate transactions. Without an active license during the time the fee was earned, the broker may not have legal standing to pursue payment through the court system. While having a written contract with the buyer or verbally disclosing the fee may be relevant in establishing the terms of the agreement, these factors are secondary to the broker's licensing status. Compliance with local zoning laws is not typically relevant to the collection of fees and is more related to property usage and development rather than the broker's ability to collect commissions. Hence, being licensed at the time the fee was earned is the essential requirement for a broker to take legal action for an unpaid fee.

7. What consequence may result if the TREC makes a payment from the Real Estate Trust Account for a license holder?

- A. The license holder may receive a warning.**
- B. The license holder's license may be suspended.**
- C. The license holder's license may be revoked.**
- D. The license holder may be required to repay the amount.**

If the Texas Real Estate Commission (TREC) makes a payment from the Real Estate Trust Account for a license holder, the potential consequence can be severe. Specifically, the license holder's license may be revoked. This action typically occurs when a license holder is found to be in violation of ethical standards or regulations, particularly concerning the misappropriation of funds, which is often taken seriously in the real estate profession. The use of the Real Estate Trust Account is strictly governed by regulations to protect consumers, and misuse can lead to significant consequences. The severity of license revocation highlights the importance of maintaining ethical standards in real estate transactions and the accountability of licensed professionals. While warning, suspension, or repayment could be relevant actions in various other contexts involving violations, revocation directly addresses the most serious breaches of trust and ethical conduct associated with the Funds of clients or customers.

8. In property transactions, what is the significance of the "Earnest Money Deposit"?

- A. It is non-refundable in all cases**
- B. It solidifies the buyer's commitment to the purchase**
- C. It compensates the seller for lost sales opportunities**
- D. It acts as a loan down payment**

The significance of the "Earnest Money Deposit" primarily lies in its role as a demonstration of the buyer's serious commitment to purchasing the property. By providing this deposit, the buyer signals to the seller that they are earnest in their intent to follow through with the transaction. This can serve to reassure the seller, indicating that the buyer is financially capable and genuinely interested in the property. The earnest money is a critical aspect of real estate transactions, as it essentially locks in the terms of the agreement and can give the buyer a competitive edge in a situation where multiple offers are being considered. This deposit can also be applied to the purchase price or closing costs at the closing of the sale. While the other choices contain elements related to earnest money, they do not represent its primary function accurately. For instance, stating it is non-refundable in all cases does not reflect the standard practices, as there are scenarios where a buyer can receive their deposit back, such as if contingencies are not met. Similarly, while the deposit may provide some level of compensation to the seller for lost sales opportunities if the buyer backs out, this is more of a potential secondary effect rather than the main purpose of the deposit. Lastly, it is important to clarify that earnest money is not a

9. What is the main benefit of having a title search performed during the property buying process?

- A. To establish the appraisal value**
- B. To identify any liens or ownership issues on the property**
- C. To simplify the closing process**
- D. To secure financing for the buyer**

Having a title search performed during the property buying process is crucial because it helps identify any liens or ownership issues on the property. This process involves examining public records to confirm the property's legal owner and to ensure that there are no outstanding claims or encumbrances against it. When a buyer considers purchasing a property, understanding the title is essential to protect their investment. Liens may include unpaid property taxes or loans, which could become the buyer's responsibility after the acquisition. Ownership issues could range from disputes with previous owners, errors in public records, or claims by third parties. By uncovering these potential problems early, buyers can address them before proceeding with the sale, ensuring they acquire a clear title and reducing the risk of future legal complications. The other options, while relevant to aspects of the real estate process, do not directly relate to the primary purpose of a title search. For instance, establishing appraisal value or securing financing are separate processes that do not address the fundamental concern of verifying ownership and the absence of liens. Simplifying the closing process is a benefit of having clear title but is secondary to the critical need to identify any issues that could affect ownership rights.

10. What is the typical licensing period for a real estate agent in Texas?

- A. One year**
- B. Two years**
- C. Three years**
- D. Five years**

In Texas, the typical licensing period for a real estate agent is indeed two years. This means that once a real estate agent obtains their license, it remains valid for a total of 24 months before it must be renewed. During this period, the agent is expected to complete a specific number of continuing education courses to maintain their knowledge of real estate laws, practices, and ethics. This requirement ensures that agents stay current with industry changes and can provide the best service to their clients. The two-year renewal cycle is a standard practice across many states, reflecting the need to ensure that agents remain informed and competent. An understanding of the renewal process and the importance of ongoing education is crucial for any real estate professional in Texas.

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://trecrealesagent.examzify.com>

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

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