

# Twenty Hour Texas Law Module 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

- 1. What is addressed in TREC regulation 535.210?**
  - A. Fees associated with licensing**
  - B. Advertising regulations**
  - C. Continuing education credits**
  - D. Insurance requirements**
- 2. What is required for an individual to obtain a real estate inspection license?**
  - A. Education and Experience Requirements**
  - B. Only a Bachelor's Degree**
  - C. Experience in Property Management**
  - D. Completion of Ethics Training**
- 3. What distinguishes direct supervision from indirect supervision in real estate inspections?**
  - A. The frequency of inspections**
  - B. The use of technology in reporting**
  - C. The physical presence of the sponsoring inspector**
  - D. The level of experience of the inspector**
- 4. Which agency is responsible for regulating the real estate industry in Texas?**
  - A. Texas Department of Housing**
  - B. Texas Real Estate Commission (TREC)**
  - C. Texas Association of Realtors**
  - D. Texas Land Office**
- 5. What is typically a condition for an escrow agreement?**
  - A. Final inspection of the property**
  - B. Verification of borrower income**
  - C. Availability of property insurance**
  - D. Meeting of certain legal requirements**

- 6. What is required for an inspector to accept a referral fee from a service?**
- A. Company policy approval**
  - B. Client's explicit permission**
  - C. State approval**
  - D. Payment processing from TREC**
- 7. What information is covered under the definition section of TREC regulations?**
- A. License application process**
  - B. Definitions of key terms**
  - C. Inspector fees**
  - D. Inspector conduct regulations**
- 8. What element of inspection should be maintained during the process?**
- A. Financial records**
  - B. Client confidentiality**
  - C. Inspection reports**
  - D. Current law updates**
- 9. What does zoning not control?**
- A. Height of buildings**
  - B. Type of allowed businesses**
  - C. Property ownership structure**
  - D. Density of housing**
- 10. What does the term "market value" refer to in property assessments?**
- A. The highest price a buyer will pay**
  - B. The average price of similar properties**
  - C. The estimated selling price of a property**
  - D. The government evaluation of property worth**



## **Answers**

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

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## **Explanations**

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## **1. What is addressed in TREC regulation 535.210?**

### **A. Fees associated with licensing**

### **B. Advertising regulations**

### **C. Continuing education credits**

### **D. Insurance requirements**

The correct answer pertains to fees associated with licensing as specified in TREC regulation 535.210. This regulation outlines the fee structure for individuals seeking to obtain or renew their licenses within the real estate profession in Texas. It is essential for professionals to understand these fees, as they directly impact the cost of maintaining their license and ensuring compliance with state regulations. Understanding the fee regulations helps real estate agents and brokers budget effectively for their licensure needs and prepares them for any financial commitments related to their professional development. For instance, it may detail application fees, renewal fees, and any penalties for late renewals, which are crucial components in the overall licensing process. The other options, while relevant to the broader context of real estate regulations in Texas, do not specifically relate to TREC regulation 535.210. This regulation does not cover advertising regulations, continuing education credits, or insurance requirements, each of which is addressed under different TREC rules and regulations.

## **2. What is required for an individual to obtain a real estate inspection license?**

### **A. Education and Experience Requirements**

### **B. Only a Bachelor's Degree**

### **C. Experience in Property Management**

### **D. Completion of Ethics Training**

To obtain a real estate inspection license, an individual must fulfill specific education and experience requirements outlined by the Texas Real Estate Commission (TREC). These requirements usually involve completing a certain number of hours of instructional courses that cover various essential topics relevant to real estate inspections, as well as gaining practical experience. The education component typically includes training in areas such as building codes, inspection techniques, and report writing. Meanwhile, the experience requirement may involve working under the supervision of a licensed inspector, which is critical for ensuring that the individual is familiar with real-life scenarios and standards within the industry. While a Bachelor's degree can certainly bolster an individual's qualifications and might be beneficial, it is not a standalone requirement for licensure in this field. Similarly, experience in property management, while valuable, does not specifically meet the criteria laid out for a real estate inspection license nor is completion of ethics training sufficient on its own. Thus, the comprehensive combination of both educational coursework and practical experience is essential for obtaining the real estate inspection license, making that the correct choice.

**3. What distinguishes direct supervision from indirect supervision in real estate inspections?**

- A. The frequency of inspections**
- B. The use of technology in reporting**
- C. The physical presence of the sponsoring inspector**
- D. The level of experience of the inspector**

Direct supervision is characterized by the physical presence of the sponsoring inspector during the activities of the supervised inspector. This means that the sponsoring inspector is on-site, overseeing the inspection process, providing immediate guidance, and ensuring that the procedures are being followed correctly. This level of supervision is crucial for new or less experienced inspectors, as it allows for real-time feedback and the opportunity to ask questions. In contrast, indirect supervision lacks this immediate oversight, meaning that the supervisor may not be physically present during the inspection. Instead, there might be communication through reports or technology post-inspection, which does not provide the same level of guidance and support. Understanding the distinction between these two types of supervision is important in ensuring that inspections meet the necessary standards and that less experienced inspectors are adequately supported in their work.

**4. Which agency is responsible for regulating the real estate industry in Texas?**

- A. Texas Department of Housing**
- B. Texas Real Estate Commission (TREC)**
- C. Texas Association of Realtors**
- D. Texas Land Office**

The Texas Real Estate Commission (TREC) is the agency specifically tasked with regulating the real estate industry in Texas. Established to protect consumers and ensure a fair real estate environment, TREC oversees licensing for real estate professionals such as agents and brokers, as well as enforcing laws and regulations governing real estate transactions in the state. TREC's responsibilities include issuing licenses to real estate professionals, handling consumer complaints, and ensuring compliance with state laws that regulate various aspects of real estate practice. Their role is essential in maintaining standards and accountability within the industry. The other options, while related to housing and real estate in various capacities, do not hold the regulatory authority that TREC possesses. The Texas Department of Housing focuses on affordable housing and related programs, the Texas Association of Realtors is a trade organization serving realtors, and the Texas Land Office manages state-owned land and resources but does not regulate real estate transactions or the professionals involved in the industry.

**5. What is typically a condition for an escrow agreement?**

- A. Final inspection of the property**
- B. Verification of borrower income**
- C. Availability of property insurance**
- D. Meeting of certain legal requirements**

An escrow agreement generally involves a neutral third party holding funds or documents until certain conditions are met in a transaction, often related to real estate. Meeting specific legal requirements is essential for an escrow agreement to be valid and enforceable. This ensures that all parties involved comply with applicable laws and regulations, leading to a smoother transaction. Legal prerequisites could include things such as proper identification of the parties, clear terms in the agreement, and adherence to local statutes governing escrow practices. While elements such as a final inspection of the property, verification of borrower income, and availability of property insurance may often be necessary in the context of real estate transactions, they are not universally required components of all escrow agreements. Instead, they can be specific contingencies or requirements relevant to the type of transaction being conducted but do not represent the foundational legal requirements needed for the establishment of an escrow. Thus, the correct answer focuses on the necessity of meeting the defined legal conditions that enable the operation of an escrow agreement.

**6. What is required for an inspector to accept a referral fee from a service?**

- A. Company policy approval**
- B. Client's explicit permission**
- C. State approval**
- D. Payment processing from TREC**

An inspector accepting a referral fee from a service must have the client's explicit permission to do so. This requirement ensures that the client is fully aware of the relationship between the inspector and the service provider, fostering transparency and trust. It protects the client's interests by allowing them to make informed decisions regarding whom they are working with and understanding any potential conflicts of interest. While company policies, state regulations, or payment processing from regulatory bodies might influence other aspects of the business, the core principle is that the client must explicitly consent to the arrangement for it to be legitimate. This requirement aligns with ethical standards in the industry, which prioritize client awareness and consent.

**7. What information is covered under the definition section of TREC regulations?**

- A. License application process**
- B. Definitions of key terms**
- C. Inspector fees**
- D. Inspector conduct regulations**

The definition section of TREC (Texas Real Estate Commission) regulations is crucial because it establishes a common language and understanding of key terms used throughout the regulations. This section serves as a reference point for licensees and anyone involved in real estate transactions, ensuring that everyone interprets terms in the same way. Definitions clarify ambiguous language, facilitate compliance with the regulations, and support the enforcement of standards. By specifying what particular terms mean, the TREC aids in minimizing confusion and misinterpretation among real estate professionals and the public. The other choices, while relevant to real estate practice, do not fall under the definition section. The license application process involves the procedures and requirements for obtaining a license but does not pertain to definitions of terms. Inspector fees relate to the costs associated with hiring inspectors, which are financial matters rather than terminologies. Inspector conduct regulations are standards outlining appropriate behavior and practices but do not define terms used within those regulations.

**8. What element of inspection should be maintained during the process?**

- A. Financial records**
- B. Client confidentiality**
- C. Inspection reports**
- D. Current law updates**

Maintaining client confidentiality is crucial during the inspection process because it protects sensitive information that clients share with professionals, ensuring their privacy and trust in the service being provided. This principle is fundamental in many professions, including law and real estate, where personal and financial information can be very sensitive. Safeguarding this confidentiality means that inspectors and their teams must handle all client information with the highest level of discretion, preventing unauthorized access or sharing of this information. Upholding this standard not only complies with legal and ethical obligations but also fosters strong professional relationships built on trust. This focus on confidentiality is vital as it ensures that clients feel secure in disclosing information that may be critical to the inspection or evaluation being conducted. In contrast, while financial records, inspection reports, and current law updates are all important elements of the inspection process, the primary focus must remain on protecting the client's confidential information. This prioritization helps maintain legal compliance and ethical standards within the profession.

## 9. What does zoning not control?

- A. Height of buildings
- B. Type of allowed businesses
- C. Property ownership structure**
- D. Density of housing

Zoning primarily focuses on the regulation of land use and development within a specific area, establishing guidelines for how properties can be utilized. This encompasses controls over the height of buildings, the types of businesses permitted in certain zones, and the density of housing developments to ensure community planning and safety. Property ownership structure, however, is not a concern of zoning regulations. Zoning laws do not dictate who owns a property or the manner in which ownership is structured—whether it is held individually, jointly, or by an entity. This aspect is governed by property law, not zoning laws, making it distinct from the other options that directly relate to the physical and functional use of land.

## 10. What does the term "market value" refer to in property assessments?

- A. The highest price a buyer will pay
- B. The average price of similar properties
- C. The estimated selling price of a property**
- D. The government evaluation of property worth

The term "market value" refers to the estimated selling price of a property, reflecting what a buyer is willing to pay and what a seller is willing to accept in an open, competitive market. This value is determined under normal market conditions, where both the buyer and the seller are informed and not under any undue pressure to complete the transaction. Market value is essential in property assessments as it provides a standardized basis for determining how properties are valued by appraisers, real estate agents, and tax authorities. Consequently, it plays a critical role in transactions, financing, and taxation related to real estate. Understanding market value helps stakeholders make informed decisions in the real estate market, whether they are buying, selling, or assessing property for tax purposes.



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

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