

Virginia Real Estate Level 1 Pre-License (PL) Foundations 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. Which right grants a property owner the ability to use a natural flowing water source that borders their property?**
 - A. Riparian Rights**
 - B. Surface Rights**
 - C. Easements**
 - D. Water Rights**

- 2. Which economic principle is informed by the concept of scarcity in real estate?**
 - A. Supply and demand**
 - B. Air space**
 - C. Property rights**
 - D. Water rights**

- 3. What is a defining characteristic of a freehold estate?**
 - A. Indeterminate length of ownership**
 - B. Specific expiration date**
 - C. Annual lease renewal**
 - D. Limited transfer options**

- 4. What does the law generally require regarding property disclosures in real estate transactions?**
 - A. Disclosure of minor issues only**
 - B. Full disclosure of major known defects**
 - C. Disclosure of property aesthetics**
 - D. No disclosures are required**

- 5. How frequently must real estate professionals complete continuing education in Virginia?**
 - A. Every year**
 - B. Every two years**
 - C. Every three years**
 - D. Every four years**

6. Which of the following refers to the doctrine granting a state power over water resources?

- A. Water rights**
- B. Doctrine of prior appropriation**
- C. Riparian rights**
- D. Usufruct rights**

7. What type of property ownership involves holding title jointly with the right of survivorship?

- A. Tenancy in common**
- B. Joint tenancy**
- C. Leasehold estate**
- D. Freehold estate**

8. Which of the following is NOT a type of listing agreement in Virginia?

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

9. In Virginia, what is the statute of limitations for filing a complaint against a real estate licensee?

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

10. What does the term "appraisal" refer to in real estate?

- A. An unbiased estimate of the value of a property**
- B. A comparative analysis of the neighborhood**
- C. A method for negotiating property prices**
- D. A calculation of mortgage affordability**

Answers

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

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Explanations

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1. Which right grants a property owner the ability to use a natural flowing water source that borders their property?

- A. Riparian Rights**
- B. Surface Rights**
- C. Easements**
- D. Water Rights**

Riparian rights are the legal rights that grant a property owner the ability to use and enjoy natural flowing water sources that border their property, such as rivers and streams. These rights allow the owner to access the water for various purposes, including irrigation, recreation, and other reasonable uses that do not negatively impact the water's flow or quality for other riparian owners. This concept is rooted in the principle that water bodies are resources that can be beneficially used by adjacent landowners, promoting responsible stewardship while balancing the rights of all who share the water resource. By contrast, surface rights pertain to land use and ownership above the ground, easements are specific permissions granted for use of another's property, and water rights generally encompass broader legal concepts concerning the allocation and usage of water, which may or may not include riparian rights. Thus, the distinction lies in the specific aspect of water access and use tied to property lines provided by riparian rights.

2. Which economic principle is informed by the concept of scarcity in real estate?

- A. Supply and demand**
- B. Air space**
- C. Property rights**
- D. Water rights**

The economic principle informed by the concept of scarcity in real estate is supply and demand. Scarcity refers to the limited availability of resources relative to the demand for those resources. In real estate, this principle becomes particularly significant because land is a finite resource. When there is a greater demand for a limited supply of land, prices tend to increase, reflecting the competition for that resource. Understanding supply and demand helps investors, developers, and real estate professionals make informed decisions about property values, market trends, and investment opportunities. For example, in areas where there's a high demand for housing but a limited number of properties available, prices will rise, indicating a seller's market. Conversely, in cases where there is an oversupply of properties relative to demand, prices may decrease, leading to a buyer's market. This interplay between supply and demand, rooted in the concept of scarcity, is fundamental to the functioning of the real estate market. Other concepts like air space, property rights, and water rights do not directly encompass the overall economic dynamics driven by scarcity in the same way supply and demand does, as they tend to focus on specific legal rights or physical characteristics of property rather than the broad economic implications of limited availability in the marketplace.

3. What is a defining characteristic of a freehold estate?

- A. Indeterminate length of ownership**
- B. Specific expiration date**
- C. Annual lease renewal**
- D. Limited transfer options**

A defining characteristic of a freehold estate is its indeterminate length of ownership. This means that the ownership of the property is not limited by a specified time frame. Unlike leasehold estates, which are typically bound by a set lease term or expiration date, freehold estates grant the owner a perpetual or indefinite interest in the property. This can include properties owned outright or those held for an indefinite duration, providing the owner with full rights to use, sell, or transfer the property as they see fit. The flexibility and permanence associated with freehold estates are fundamental reasons why they are a vital aspect of real estate ownership. This characteristic distinguishes freehold estates from other types of property interests, reinforcing the unique nature of ownership rights that come with these estates.

4. What does the law generally require regarding property disclosures in real estate transactions?

- A. Disclosure of minor issues only**
- B. Full disclosure of major known defects**
- C. Disclosure of property aesthetics**
- D. No disclosures are required**

The law generally mandates full disclosure of major known defects in a property during real estate transactions to protect buyers from potential fraud and ensure informed decision-making. This requirement stems from the principle of transparency in real estate practices, where sellers must provide accurate information about the condition of a property, especially regarding serious issues that could affect its value or pose a risk to the safety and well-being of the occupants. In many jurisdictions, including Virginia, sellers are often required to complete a disclosure form that outlines known issues such as structural problems, water damage, lead paint, and other significant hazards. This obligation helps to create a fair playing field in the market and holds sellers accountable for any misrepresentations. The other options do not align with legal standards. Minor issues may not need disclosure as they are typically considered cosmetic rather than structural or safety-related. Property aesthetics, while potentially relevant to buyers, are also not a legal requirement for disclosure. Lastly, the idea that no disclosures are required is incorrect, as most jurisdictions emphasize the importance of disclosure to protect the interests of all parties involved in a transaction.

5. How frequently must real estate professionals complete continuing education in Virginia?

- A. Every year**
- B. Every two years**
- C. Every three years**
- D. Every four years**

Real estate professionals in Virginia are required to complete continuing education every two years to maintain their licenses. This requirement ensures that agents remain knowledgeable about changes in laws, regulations, and best practices within the industry. Continuing education helps professionals stay current with developments and enhances their skills, ultimately benefiting their clients and the broader real estate market. The two-year cycle aligns with the state's regulatory standards, which include mandatory topics that must be covered during these courses. This structured approach supports the ongoing education of real estate professionals, ensuring they are equipped to provide quality service.

6. Which of the following refers to the doctrine granting a state power over water resources?

- A. Water rights**
- B. Doctrine of prior appropriation**
- C. Riparian rights**
- D. Usufruct rights**

The doctrine granting a state power over water resources is best captured by the concept of prior appropriation. This principle is primarily applied in jurisdictions where water is a scarce resource. It establishes a legal framework where the state determines the allocation of water rights based on the first user's priority—essentially allowing those who first claim and use the water to maintain their right to it. In essence, the doctrine of prior appropriation assigns priority to water use, thereby ensuring that users who established their water rights first are protected against newer claims. This system is significant in agricultural and industrial contexts, where water access is crucial for sustainability and development. In contrast, water rights generally refer to the overall entitlements to use water, which encompasses various forms and regulations, not exclusively tied to state power. Riparian rights are specific rights owned by landowners whose property is adjacent to water bodies, focusing on natural use. Usufruct rights pertain to the temporary use of someone else's property and are not specific to water resources. Thus, the correct answer highlights a specific doctrine that outlines state authority over water resources rather than other frameworks or rights related to water usage.

7. What type of property ownership involves holding title jointly with the right of survivorship?

- A. Tenancy in common**
- B. Joint tenancy**
- C. Leasehold estate**
- D. Freehold estate**

The correct answer is the type of property ownership that involves holding title jointly with the right of survivorship is Joint tenancy. Joint tenancy is a form of property ownership in which two or more individuals hold title to a property together. One of the key features of joint tenancy is the right of survivorship, meaning that when one joint tenant passes away, their interest in the property automatically transfers to the surviving joint tenants. This ensures that the property does not go through probate and remains with the surviving owner(s) without the deceased tenant's share being transferred according to a will or intestate succession laws. In contrast, tenancy in common does not provide the right of survivorship. Each tenant in common can pass their share to heirs upon death, which may lead to multiple parties inheriting portions of the property. Leasehold estate refers to renting or leasing property, which doesn't involve ownership. A freehold estate entails ownership of the property where the holder has more extensive rights and ownership duration, but it does not inherently include the requirement of joint ownership or survivorship. Therefore, joint tenancy specifically addresses the conditions described in the question about holding title jointly with rights that include survivorship.

8. Which of the following is NOT a type of listing agreement in Virginia?

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

The correct answer indicates that an open-ended agreement is not recognized as a type of listing agreement in Virginia. In real estate practice, listing agreements are legal contracts between a property owner and a real estate broker that outline the terms under which the broker will market and sell the property. The other options are established types of listing agreements that serve specific purposes: - An exclusive right to sell agreement grants the broker the sole right to sell the property and ensures that the broker receives a commission regardless of who sells the property. - An exclusive agency agreement allows the seller to retain the right to sell the property themselves without paying a commission to the broker, unless the broker brings the buyer. - A net listing agreement establishes a minimum acceptable price for the seller and allows the broker to keep any amount over that price as commission. However, it's worth noting that net listings are discouraged and can be problematic because they may create conflicts of interest. In contrast, open-ended agreements do not conform to the defined structure of recognized listing agreements in Virginia, as they lack fixed terms for exclusivity or rights. This differentiation highlights the structured nature of real estate agreements important for protecting both agents and clients in the transaction process.

9. In Virginia, what is the statute of limitations for filing a complaint against a real estate licensee?

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

In Virginia, the statute of limitations for filing a complaint against a real estate licensee is indeed two years. This timeframe starts from the date of the alleged violation or misconduct. A statute of limitations serves to ensure that claims are made while evidence is still fresh and available, and it provides a level of certainty and finality in legal matters. It's important for both consumers and licensees to be aware of this timeframe, as it affects the ability to seek legal remedies and hold parties accountable for their actions. Understanding this law is crucial for anyone involved in real estate transactions and regulatory matters in Virginia.

10. What does the term "appraisal" refer to in real estate?

- A. An unbiased estimate of the value of a property**
- B. A comparative analysis of the neighborhood**
- C. A method for negotiating property prices**
- D. A calculation of mortgage affordability**

The term "appraisal" in real estate specifically refers to an unbiased estimate of the value of a property. This process is typically conducted by a licensed appraiser who assesses various factors such as the property's condition, location, comparable sales in the area, and market trends. The appraisal provides an objective analysis, which is essential for both buyers and sellers to understand the fair market value of the property in question. While the other options involve different aspects of real estate, they do not accurately define appraisal. A comparative analysis of the neighborhood may form part of the appraisal process, but it is not the entirety of what an appraisal entails. Negotiating property prices and calculating mortgage affordability are separate activities that may utilize appraisal outcomes but are not definitions of appraisal itself.

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://varealestatelvl1plfnd.examzify.com>

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

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