

VIRGINIA REAL ESTATE LICENSE LAW PRACTICE TEST (SAMPLE)

STUDY GUIDE



**SAMPLE STUDY GUIDE
WITH LIMITED QUESTIONS**

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THE FULL VERSION STUDY GUIDE**

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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. Under Virginia law, who can attend meetings of the board of directors?**
 - A. Only board members
 - B. Any interested party
 - C. All members of the association
 - D. Only by invitation
- 2. Who is not eligible to receive payment from the Transaction Recovery Fund?**
 - A. Licensees
 - B. A neighbor of a licensee
 - C. Residential property owner
 - D. Commercial property owner
- 3. In the event of a check returned due to insufficient funds, what notice must a landlord provide a tenant regarding payment method?**
 - A. Three days
 - B. Five days
 - C. Ten days
 - D. Fifteen days
- 4. In reference to the Consumer Real Estate Protection Act (CRESPA), which role does the Virginia State Bar have?**
 - A. Oversight of property management companies
 - B. Registration of real estate settlement agents
 - C. Conducting residential closings
 - D. Providing legal counsel in real estate transactions
- 5. What could happen if a licensee fails to disclose their license status in a contract?**
 - A. The licensee could be fined.
 - B. The licensee's license could be suspended.
 - C. The license could be revoked.
 - D. The licensee could be fined and/or have their license suspended or revoked.

- 6. What is the minimum balance required in the Transaction Recovery Fund?**
- A. \$100,000
 - B. \$400,000
 - C. \$600,000
 - D. \$2,000,000
- 7. A landlord cannot release a tenant's financial information without consent. What is one exception to this rule?**
- A. The records may be released to an attorney.
 - B. The records of rental amounts and payment records may be released to a prospective buyer.
 - C. The records may be released to an investigator.
 - D. The records may be released to another landlord.
- 8. After receiving a court judgment, how long does a complainant have to file a claim to receive payment from the Fund?**
- A. 2 months
 - B. 3 months
 - C. 6 months
 - D. 9 months
- 9. A licensee is required to maintain confidentiality of all personal and/or financial information received from the client during the brokerage relationship**
- A. without any exception whatsoever.
 - B. unless the information is requested in writing from the customer.
 - C. unless the client provides an oral consent for the release of information.
 - D. unless the client provides a written consent for the release of information.
- 10. Which of the following is NOT required in a lead-based paint disclosure?**
- A. Disclosure of any known lead in the dwelling
 - B. Risk assessment opportunity
 - C. HUD pamphlet
 - D. Lead testing certification

Answers

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

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Explanations

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1. Under Virginia law, who can attend meetings of the board of directors?

- A. Only board members
- B. Any interested party
- C. All members of the association**
- D. Only by invitation

In Virginia, the law generally supports transparency and inclusivity regarding meetings of the board of directors, particularly for homeowners' associations or similar entities. Therefore, allowing all members of the association to attend board meetings fosters an environment of participation and engagement among the community members. This practice encourages accountability and helps to ensure that decisions made by the board are in line with the interests of the association as a whole. While some other options might suggest more restricted access to these meetings, the framework of Virginia law prioritizes the right of all association members to be informed about and involved in the governance processes. This inclusion is significant because it empowers residents, provides them with insights into board operations, and can lead to higher community involvement in association affairs. This openness can also help preempt any potential conflicts or misunderstandings that may arise from board decisions, making it a crucial element of running community associations effectively.

2. Who is not eligible to receive payment from the Transaction Recovery Fund?

- A. Licensees**
- B. A neighbor of a licensee
- C. Residential property owner
- D. Commercial property owner

The Transaction Recovery Fund is designed to protect consumers who have suffered a financial loss due to the improper actions of a real estate licensee. Licensees themselves are not eligible to receive payment from this fund because it is intended to compensate consumers—not professionals—who have been harmed in real estate transactions. This ensures that the fund is utilized to promote trust and safety in the real estate market by providing recourse to consumers who may have been defrauded or wronged. Neighbors, residential property owners, and commercial property owners can qualify for compensation from the fund under certain circumstances where they have sustained losses due to a licensee's actions. In contrast, since licensees are already in the position of receiving commissions and earnings through their work, allowing them access to the fund would undermine its purpose and function.

3. In the event of a check returned due to insufficient funds, what notice must a landlord provide a tenant regarding payment method?

- A. Three days
- B. Five days**
- C. Ten days
- D. Fifteen days

A landlord must provide the tenant with notice regarding the returned check due to insufficient funds within a five-day timeframe. This requirement is grounded in the Virginia code, which aims to ensure that tenants are given an opportunity to address the situation and resolve any payment issues promptly. By allowing five days for notice, the law seeks to balance the interests of both landlords and tenants, ensuring that tenants are informed of payment failures and can take appropriate action without excessive delay. This notice period is intended to facilitate communication between the parties, encouraging tenants to either replace the insufficient funds or discuss alternatives before further action is taken by the landlord. This framework serves to maintain fair practices in rental agreements, making sure that tenants are not caught off guard by any financial repercussions while also allowing landlords to manage their properties effectively.

4. In reference to the Consumer Real Estate Protection Act (CRESPA), which role does the Virginia State Bar have?

- A. Oversight of property management companies
- B. Registration of real estate settlement agents**
- C. Conducting residential closings
- D. Providing legal counsel in real estate transactions

The correct answer highlights the role of the Virginia State Bar in the context of the Consumer Real Estate Protection Act (CRESPA) as it pertains to the registration of real estate settlement agents. Under CRESPA, the Virginia State Bar is responsible for ensuring that real estate settlement agents comply with professional standards and regulatory requirements. This involves overseeing the registration process to guarantee that agents meet the necessary legal qualifications and are authorized to conduct real estate transactions properly. This role is crucial because it aims to protect consumers by ensuring that all real estate settlements are conducted by qualified individuals who adhere to legal and ethical standards. By regulating settlement agents, the Virginia State Bar helps maintain the integrity and professionalism of the real estate industry, thereby providing added security for consumers during transactions. The other roles mentioned do not align with the responsibilities of the Virginia State Bar under CRESPA. The oversight of property management companies and conducting residential closings are typically handled by different regulatory bodies and entities in the real estate sector, while providing legal counsel is more about the function of individual attorneys rather than a formal role of the Bar in relation to real estate settlement agents.

5. What could happen if a licensee fails to disclose their license status in a contract?

- A. The licensee could be fined.
- B. The licensee's license could be suspended.
- C. The license could be revoked.
- D. The licensee could be fined and/or have their license suspended or revoked.**

Failure to disclose a licensee's status in a contract is a serious violation of real estate laws and regulations. When a licensee is not transparent about their status, it can lead to misunderstandings and unethical practices, which can affect the integrity of real estate transactions. Choosing the comprehensive response indicates an understanding that the consequences for not disclosing one's license status can vary in severity. The possibility of being fined exists because real estate boards and commissions typically impose monetary penalties for breaches of disclosure requirements. Furthermore, if the violation is serious and indicative of a pattern of misconduct, the licensee might face more severe repercussions, such as suspension or revocation of their license. These actions can occur as part of a disciplinary process conducted by the regulatory body overseeing real estate practices in Virginia. Therefore, the correct choice reflects the range of potential consequences, highlighting the importance of ethical conduct and transparency in real estate dealings to maintain professional standards within the industry.

6. What is the minimum balance required in the Transaction Recovery Fund?

- A. \$100,000
- B. \$400,000**
- C. \$600,000
- D. \$2,000,000

The minimum balance required in the Transaction Recovery Fund is indeed \$400,000. This fund is established to protect consumers who may suffer monetary losses due to the actions of a licensed real estate agent or broker in Virginia. The purpose of this fund is to provide a financial safety net for individuals who have been wronged in real estate transactions. Having a minimum balance of \$400,000 allows for sufficient coverage in the event that multiple claims are made, ensuring that the fund can adequately reimburse consumers who have experienced financial loss due to real estate malpractice. This amount reflects a balance that is deemed necessary to maintain the integrity and operational effectiveness of the fund, ensuring consumers' trust in the real estate profession. The other figures mentioned do not correspond with the established requirement, as the fund's minimum balance is specifically set to \$400,000 to ensure its viability while balancing the financial responsibilities of the real estate community.

7. A landlord cannot release a tenant's financial information without consent. What is one exception to this rule?

- A. The records may be released to an attorney.
- B. The records of rental amounts and payment records may be released to a prospective buyer.**
- C. The records may be released to an investigator.
- D. The records may be released to another landlord.

The correct answer is that rental amounts and payment records may be released to a prospective buyer. This exception is rooted in the understanding that prospective buyers often require financial information to evaluate the income-producing potential of a property. By sharing rental amounts and payment histories, landlords can give potential buyers a clearer picture of the property's financial performance and the current tenant's reliability, which are crucial factors in the purchasing decision. When it comes to tenant financial information, privacy laws generally protect such data, requiring consent from the tenant for disclosure. However, the financial details relating to the property itself, particularly in the context of a sale, can be relevant and necessary for business transactions. Therefore, this stipulation allows for the sharing of certain essential information while still respecting tenant privacy rights.

8. After receiving a court judgment, how long does a complainant have to file a claim to receive payment from the Fund?

- A. 2 months
- B. 3 months
- C. 6 months**
- D. 9 months

Once a complainant has received a court judgment related to a real estate transaction, they have a specific time frame within which to file a claim to receive payment from the Real Estate Recovery Fund. In Virginia, this period is set at 6 months following the entry of the judgment. This timeframe is crucial as it ensures that claims against the fund are made in a timely manner, allowing for proper management of the fund and the processing of claims. This provision is designed to protect both the interests of the complainant seeking restitution and the integrity of the fund itself, which is meant to serve those who have suffered losses due to the misconduct of licensed real estate practitioners. Understanding this timeline is essential for complainants to ensure they do not miss the opportunity to seek compensation for their losses.

9. A licensee is required to maintain confidentiality of all personal and/or financial information received from the client during the brokerage relationship

- A. without any exception whatsoever.
- B. unless the information is requested in writing from the customer.
- C. unless the client provides an oral consent for the release of information.
- D. unless the client provides a written consent for the release of information.**

The requirement for a licensee to maintain confidentiality of all personal and/or financial information received from the client during the brokerage relationship is governed by the principles of agency law and fiduciary responsibility. The correct option focuses on the necessity of obtaining written consent from the client in order to release any confidential information. Under Virginia Real Estate License Law, a licensee must protect the confidentiality of their client's information, which is critical for building trust in the client-agent relationship. This confidentiality applies to all information disclosed by the client unless the client consents to its release. Written consent is particularly important because it creates a clear and verifiable record of the client's authorization, ensuring that there is less risk for misunderstandings or potential disputes regarding the sharing of that information. Other options may imply that verbal consent or the lack of an exception could suffice for releasing confidential information, but such approaches do not adhere to the legal standards and best practices of maintaining client confidentiality in real estate transactions. Written consent ensures that both parties are clear on what information may be disclosed and under what circumstances, reinforcing the licensee's adherence to fiduciary duty and ethical guidelines.

10. Which of the following is NOT required in a lead-based paint disclosure?

- A. Disclosure of any known lead in the dwelling
- B. Risk assessment opportunity
- C. HUD pamphlet
- D. Lead testing certification**

In the context of lead-based paint disclosure requirements, such as those mandated by the Residential Lead-Based Paint Hazard Reduction Act, it's important to understand the purpose of each required element. The document's intent is to inform potential buyers or renters about the presence of lead-based paint, especially in homes built before 1978, when the use of lead-based paint was banned. A lead-based paint disclosure is indeed required to include the disclosure of any known lead in the dwelling, the opportunity for a risk assessment, and a HUD pamphlet providing information about lead hazards. These components are designed to ensure that occupants are fully aware of any potential risks associated with lead exposure and have the necessary resources to make informed decisions regarding their health and safety. Conversely, a lead testing certification is not a required element of the lead-based paint disclosure. While lead testing can be beneficial and may be pursued by property owners or buyers, the law does not mandate that a seller or landlord provide a certification proving that the property has been tested for lead. Therefore, option D, referring to lead testing certification, is the correct answer as it is not required in a lead-based paint disclosure.

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://varealestatelicenselaw.examzify.com>

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

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