

Name: _____

1. A real estate broker may be required to pay:
 - A. a business license fee in every county where the broker lists property for sale.
 - B. a business license fee in every county where the broker maintains an office.
 - C. a gross receipts tax to each county where the broker lists property for sale.
 - D. a gross receipts tax only to the counties in which the broker maintains an office.

2. A salesperson may conduct the closing of a real estate transaction if:
 - A. the salesperson has a license to practice law.
 - B. both the seller and the purchaser approve of the action and sign a statement releasing the salesperson of any liability.
 - C. the broker gives the salesperson written permission in his/her contract of employment.
 - D. the broker is present or the attorney is present with the broker's approval.

3. Salesperson Borowski receives an offer and an earnest money deposit of \$500 cash on Friday evening. Her broker's instructions are to turn over the earnest money to the office manager between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday. What should Borowski do?
 - A. Buy a money order with the \$500
 - B. Keep the \$500 until first thing Monday morning
 - C. Deposit the \$500 in her own account until Monday
 - D. Tell the purchaser she cannot accept cash deposits

4. The Commission may sanction the license of a salesperson if the salesperson:
 - A. knowingly fails to disclose to the purchaser that the roof leaks.
 - B. guarantees a prospect a profit of \$10,000 in twelve months, if he/she will purchase a property.
 - C. collects a fee from a broker other than his/her employing broker without the employing broker's consent.
 - D. All of the other answers are correct.

5. The Real Estate Commission:
 - A. shall never investigate the actions of a licensee without receiving a sworn written complaint.
 - B. shall investigate the actions of a licensee upon a sworn, written complaint.
 - C. does not have the authority to issue subpoenas.
 - D. may never publish the name of a licensee whose license has been suspended or revoked.

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6. Which of the following actions would require a real estate license?
- A. Charging a fee for advertising specific properties
 - B. Acting as a mere referral agent within the guidelines set forth in the law
 - C. Managing repossessed homes as an employee of the FHA
 - D. Auctioning land for another for a fee
7. The Georgia Real Estate Commission has the authority to:
- A. regulate the behavior of licensees in cooperative transactions.
 - B. settle commission disputes between salespersons and brokers.
 - C. deny a license to an applicant who made a false statement of material fact on an application.
 - D. refuse to transfer a salesperson's license if the salesperson will only be working part-time.
8. Within one year of being issued an original salesperson's license, a licensee has to satisfactorily complete a 25 hour Commission approved Postlicense course. If not completed within one year, a 6 month extension may be granted waiving the lapsed licene fee if:
- A. there is no provision in the law or rules which provides an extension without payment of a penalty.
 - B. the course requirement is postponed if the license is immediately placed on inactive status.
 - C. the salesperson enrolled in and paid for the course but was unable to complete it for any reason.
 - D. the salesperson enrolled in and paid for the course but was unable to complete it for any valid reason.
9. In Georgia the term "real estate" means and includes which of the following?
- A. Any mobile home.
 - B. Any condominium.
 - C. Any encumbrance.
 - D. Any business.
10. The Commission may suspend or revoke a broker's license whenever the broker has been found guilty of:
- A. paying a referral fee to a licensed person.
 - B. operating without a license.
 - C. falsifying contracts.
 - D. selling property in another state.

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11. The Real Estate Commission must consist of:
- A. 10 members, 5 of whom are actively licensed and elected in a general election and 5 non-licensees who are appointed by the Governor.
 - B. 6 members who are appointed by the Governor and must place their license on inactive status during the term of the appointment.
 - C. 6 members all with an active real estate license and a minimum of 10 years of experience.
 - D. 6 members, 5 of whom must be actively licensed and 1 with an interest in consumer affairs and no connection to real estate.
12. Any person who operates as a real estate agent without a license is guilty of:
- A. actual fraud.
 - B. a felony.
 - C. larceny after trust.
 - D. a misdemeanor.
13. Bud Smith and Jim Jones, both licensed brokers in Georgia, form Smith and Jones Realty, Inc. It is agreed that Smith will be the qualifying broker and president of the corporation. Jones will be secretary/treasurer. Based upon this information, which of the following is correct?
- A. A brokerage license will be issued to Smith and Jones Realty, Inc.
 - B. Smith will be issued a broker's license, and Jones will be issued a salesperson's license.
 - C. A brokerage license will be issued to Smith and Jones Realty, Inc., an associate broker's license will be issued to both Smith and Jones.
 - D. None of the other answers is correct.
14. Sue Jones, a licensed salesperson, incorporates as Jones Company, Inc. for real estate brokerage purposes. Which of the following statements is FALSE?
- A. There must be written instruction to pay the Jones Company.
 - B. Sue Jones cannot incorporate as a salesperson.
 - C. Jones Company may not engage in brokerage business for more than one broker at a time without the express knowledge and consent of the broker holding her license.
 - D. Sue Jones must hold a minimum of 20% stock in Jones Company.
15. If the Commission votes to revoke a license, the Georgia Administrative Procedures Act entitles the licensee to appeal that decision to the:
- A. Attorney General.
 - B. Court.
 - C. Governor.
 - D. Secretary of State.

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16. Any licensee who seeks to activate a license that has been on inactive status for a period of two years or longer shall be required to:
- A. attend a Commission approved course of study totaling six hours for each year or portion of a year the license was on inactive status. (The course must be taken no more than one year prior to the date of reactivation.)
 - B. furnish evidence of having attended a Commission approved six hour continuing education course during each one year period.
 - C. retake the post license course.
 - D. retake the prelicense course.
17. A broker may lawfully conduct real estate brokerage activities as a:
- A. sole individual.
 - B. partnership.
 - C. corporation.
 - D. Any of the other answers is correct.
18. To be licensed as a resident Georgia broker, an applicant must:
- A. be a high school graduate or hold a certificate of equivalency.
 - B. have been actively licensed for any 3 of the last 5 years as a salesperson.
 - C. successfully complete a Commission approved course of study.
 - D. All of the other answers are correct.
19. Which of the following statements is INCORRECT concerning necessary qualifications for a salesperson's license?
- A. Be at least twenty-one years of age
 - B. Stand and pass an examination approved by the Commission
 - C. Be a high school graduate or holder of certificate of equivalency
 - D. Furnish evidence of successful completion of the Salesperson's Prelicense Course approved by the Commission
20. If a broker receives more than one bona fide offer for the same property at approximately the same time, the broker should submit:
- A. only the highest offer.
 - B. all offers.
 - C. none of the offers.
 - D. only the one he/she considers the best.

You have completed the test!