

**ILLINOIS**

**FOR  
SALE**



**Real Estate  
Examination  
Program**

# **Candidate Handbook**

July 2021







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**QUESTIONS ABOUT LICENSING**

Questions regarding license application or information concerning licensure requirements should be directed to:

Illinois Department of Financial and Professional Regulation  
320 West Washington St.  
Springfield, IL 62786  
Phone: 800-560-6420  
Web: [www.idfpr.com](http://www.idfpr.com)

**HOW TO CONTACT PSI**

For inquiries and general registration information write or call:

PSI Candidate Services  
18000 W. 105th St.  
Olathe, KS 66061-7543  
Phone: 855-340-3893  
Fax: 913-895-4651  
Web: <http://schedule.psiexams.com>  
Email: [ILRESupport@psionline.com](mailto:ILRESupport@psionline.com)





## INTRODUCTION

The State of Illinois has retained the services of PSI to develop and administer their real estate examination program. As a full-service testing company, PSI provides expertise and support to associations, state credentialing agencies and private industry in examination development, scoring and reporting of examinations.

PSI provides a range of services to the states that use the Real Estate Examination Program (REP). This booklet provides information that you will need to register for the Illinois Real Estate Licensing Examinations. Be sure to keep the booklet after you have registered for the examination; you may wish to refer to it later.

The real estate examinations are developed through a combined effort of real estate experts and testing professionals. Real estate practitioners and educators write the questions. Experts in the fields of both real estate and testing review the questions to ensure that they are accurate in their content and representative of good question-writing procedures. Representatives from states participating in the PSI Real Estate Examination Program review the questions to make certain that the content of the questions is accurate and relevant to real estate practices in their own states. Finally, all questions are revised and updated on a continual basis to reflect the current laws and practices in the changing real estate field.

The examination content outline used to develop the examinations is based on a job analysis and expert judgment. It reflects areas of knowledge required to perform those tasks that practicing real estate brokers and managing brokers judged to be important. Real estate experts who write questions for PSI use this content outline as a guide. Thus, examinees are tested only on subjects judged by real estate brokers and managing brokers as most important for beginning licensees to know.

The content outline does not include topics, such as promotional skills, that may be helpful to success in the industry. Since the purpose of licensure testing is to protect the consumer rather than to guarantee success in practice, the examinations focus on the knowledge you must have to protect the consumer and your ability to apply that knowledge to a consumer's particular situation. Similarly, the examinations include some technical language not used in your everyday conversations. You must learn that language to become a part of the profession and be able to explain its meaning to customers and clients.

## STATEMENT OF NONDISCRIMINATION

PSI does not discriminate among candidates on the basis of age, gender, race, religion, national origin, disability, marital status, sexual orientation or gender identity.

## EXAMINATION INFORMATION

The following Illinois Real Estate Licensing Examinations are administered by PSI under a contract with the Illinois Department of Financial and Professional Regulation:

- Broker
- Managing Broker
- Leasing Agent
- Instructor (Individuals applying for the Instructor examination should contact PSI at 855-340-3893 for more information and an Instructor's Candidate Handbook.)

This booklet contains general information regarding the examinations and the testing process. For specific information about licensing procedures, contact the Illinois Department of Financial and Professional Regulation.

## ILLINOIS LICENSE REQUIREMENTS AND QUALIFICATIONS

### ■ Broker

To be eligible for the Illinois Real Estate Broker Examination, candidates must meet all of the requirements in one of the following categories.

#### **Category A – 75-Class-Hour Qualification**

To qualify for an Illinois Real Estate Broker's license under Category A, applicants must:

1. Be at least 18 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree (GED); and
3. Have successfully completed the required curriculum of 75 class hours of Real Estate courses at a real estate school approved by the Department of Financial and Professional Regulation in the following manner:

Real Estate Broker Topics (60 hours)  
Broker Pre-License Applied Real Estate Principles-Interactive (15 hours)

**THE UNIFORM REAL ESTATE TRANSCRIPT IS VALID FOR TWO YEARS FOLLOWING COMPLETION OF THE COURSE. TWO YEARS IS DETERMINED BASED UPON THE GRADUATION DATE OF THE LAST COMPLETED COURSE.**

## Category C – Attorney Qualification

To qualify for an Illinois Real Estate Broker's license under Category C, applicants must:

1. Be at least 18 years old; and
2. Be admitted to practice law by the Illinois Supreme Court.

**NOTE:** Persons qualifying under Category C MUST register for the examination by submitting the registration form found in this handbook and a photocopy of their current Illinois attorney registration pocket card certificate by mail to PSI at the address provided on the form for approval prior to taking the examination.

## Category D – Reciprocity Qualification

To qualify for an Illinois Real Estate Broker license under Category D, applicants must:

1. Be at least 18 years old; and
2. Hold an active broker's license, or equivalent by examination in a state that has a reciprocal agreement with the Department of Financial and Professional Regulation.

**Documentation Required:** *Certification required from each state of licensure. (See page 21.) NOTE: It will be necessary for the applicant to contact the DFPR to obtain a reciprocity application. Please contact DFPR at 800-560-6420 or visit the DFPR's Web site at [www.idfpr.com](http://www.idfpr.com).*

Candidates applying for licensure on the basis of reciprocity need only take the Illinois State Supplemental examination.

## Category E – 18- to 21-Year-Old Qualification

To qualify for an Illinois Real Estate Broker's license under Category E, applicants must:

1. Be at least 18 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree (GED); and
3. Have successfully completed the required curriculum of 75 class hours of Real Estate courses at a real estate school approved by the Department of Financial and Professional Regulation in the following manner:

Real Estate Broker Topics (60 Hours)  
Broker Pre-License Applied Real Estate Principles-Interactive (15 Hours)

**THE UNIFORM REAL ESTATE TRANSCRIPT IS VALID FOR TWO YEARS FOLLOWING COMPLETION OF THE COURSE. TWO YEARS IS DETERMINED BASED UPON THE GRADUATION DATE OF THE LAST COMPLETED COURSE.**

**NOTE:** Persons registering under Category E MUST register for examination by submitting the registration form found in this handbook and all documentation by mail to PSI at the address provided on the form for approval prior to taking the examination.

## Managing Broker

To be eligible for the Illinois Real Estate Managing Broker Examination, candidates must meet all of the requirements in one of the following categories:

### Category A-2 – Active Broker license and 45-Class-Hour Qualification

To qualify for an Illinois Real Estate Managing Broker's license under Category A-2, applicants must:

1. Be at least 20 years old;
2. Hold an active valid Illinois real estate broker license;
3. Have had an active real estate license for 2 of the past 3 years; and
4. Have completed the required curriculum of 45 class hours of managing broker courses at a real estate school approved by the Department of Financial and Professional Regulation in the following manner:  
Managing Broker Pre-License Topics (30 hours)  
Managing Broker Pre-License Applied Management and Supervision-Interactive (15 hours)

**THE UNIFORM REAL ESTATE TRANSCRIPT IS VALID FOR TWO YEARS FOLLOWING COMPLETION OF THE COURSE. TWO YEARS IS DETERMINED BASED UPON THE GRADUATION DATE OF THE LAST COMPLETED COURSE.**

**Documentation Required:** *An original or copy of Uniform Real Estate Transcript, from an approved Illinois provider, bearing an embossed seal documenting 45 course hours.*

### Category A-1 – 165-Class-Hour Qualification

To qualify for an Illinois Real Estate Managing Broker's license under Category A-1, applicants must:

1. Be at least 20 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree (GED);
3. Have had an active real estate license for 2 of the past 3 years; and
4. Have successfully completed the required curriculum of 165 class hours of Real Estate courses at a real estate school approved by the Department of Financial and Professional Regulation in the following manner:

Real Estate Broker Topics (60 hours)  
Broker Pre-License Applied Real Estate Principles-Interactive (15 hours)  
Broker Post License Transactional Issues (15 hours)  
Broker Post License Risk Management/Discipline (15 hours)  
Broker Post License Applied Broker Principles (15 hours)  
Managing Broker Pre-License Topics (30 hours)  
Managing Broker Pre-License Applied Management and Supervision-Interactive (15 hours)

**Note:** An applicant for a managing broker license who is currently licensed as an Illinois real estate broker

is presumed to have completed the 120 broker class hours of Real Estate courses.

**THE UNIFORM REAL ESTATE TRANSCRIPT IS VALID FOR TWO YEARS FOLLOWING COMPLETION OF THE COURSE. TWO YEARS IS DETERMINED BASED UPON THE GRADUATION DATE OF THE LAST COMPLETED COURSE.**

**Documentation Required:** *An original or copy of Uniform Real Estate Transcript, from an approved Illinois provider, bearing an embossed seal documenting 165 course hours.*

### Category C – Attorney Qualification

To qualify for an Illinois Real Estate Managing Broker's license under Category C, applicants must:

1. Be at least 20 years old;
2. Have had an active real estate license for 2 of the past 3 years; and
3. Be admitted to practice law by the Illinois Supreme Court.

**NOTE:** Persons qualifying under Category C must register for the examination by submitting the registration form found in this handbook, the consent to audit form, and a photocopy of their current active Illinois attorney registration pocket card certificate by mail to PSI at the address provided on the form for approval prior to taking the examination.

### Category D – Reciprocity Qualification

To qualify for an Illinois Real Estate Managing Broker license under Category D, applicants must:

1. Be at least 20 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree (GED);
3. Managing Brokers must be actively licensed as a managing broker in the reciprocal state for at least the last two years; and
4. Hold an active managing broker's license, or its equivalent, by examination in a state that has a reciprocal agreement with the Department of Financial and Professional Regulation.

Candidates applying for licensure on the basis of reciprocity need only take the Illinois State Supplemental examination.

**Documentation Required:** *Certification required from each state of licensure. (See page 21.) NOTE: It will be necessary for the applicant to contact the DFPR to obtain a reciprocity application. Please contact DFPR at 800-560-6420 or visit DFPR's Web site at [www.idfpr.com](http://www.idfpr.com).*

## Leasing Agent

To be eligible for the Illinois Real Estate Leasing Agent Examination, candidates must meet all of the following requirements.

1. Be at least 18 years old;
2. Have graduated from high school or obtained the equivalent of a high school degree;
3. Have successfully completed the 15-class-hour Leasing Agent course at a real estate school approved by the Department of Financial and Professional Regulation.

**THE UNIFORM REAL ESTATE TRANSCRIPT IS VALID FOR TWO YEARS FOLLOWING COMPLETION OF THE COURSE. TWO YEARS IS DETERMINED BASED UPON THE GRADUATION DATE OF THE LAST COMPLETED COURSE.**

## HOW THE EXAMINATION IS ADMINISTERED

The Illinois Real Estate Licensing Examinations are administered by computer by appointment only Monday through Friday. Saturday testing is available at select locations. Appointment starting times may vary by location. Please visit <http://schedule.psiexams.com> for a complete listing of available Test Centers.

## EXAMINATION FEE

<p>Broker Examination Fee: \$58          Managing Broker Examination Fee: \$58          Leasing Agent Examination Fee: \$37</p>
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Payment may be made by credit card (VISA, MasterCard, American Express or Discover), cashier's check or money order made payable to PSI Services Inc. Examination fees are not refundable or transferable and expire in 90 days.

Credit card transactions that are declined will be subject to a \$25 handling fee. You must send a certified check or money order for the amount due, including the handling fee, to PSI to cover declined credit card transactions.

## SCHEDULING AN EXAMINATION APPOINTMENT

You must register with PSI as a student prior to your course completion, and your course completion information must be received electronically from your school to complete the examination registration process. To register as a student with PSI so your school may electronically submit your course completion(s), go to the following link and either register as a new student or login to your account. <https://ampportal.goamp.com/School/StudentLogin.aspx?ID=137>

**If you are registering for the Broker or Managing Broker examination as a/an:**

- 18-21 year old (Broker only)
- Attorney

Individuals registering for an examination as described above **MUST** submit the registration form and required documentation by mail to PSI for approval prior to taking the examination. **Registration materials for applicants in these categories may not be faxed.** Call PSI at 855-340-3893 approximately 7 to 10 business days after mailing your registration materials to schedule an examination.

**All other applicants may register by one of the following routes after you have received confirmation of eligibility from PSI.**

1. **Online Scheduling:** Go to <http://schedule.psiexams.com> and select "Begin Scheduling." Follow the simple, step-by-step instructions to choose your examination program and register for the examination. Please have your credit card available for online payment of examination fees.

OR

2. **Telephone Scheduling:** Call PSI at 855-340-3893 to schedule an examination appointment. This toll-free number is answered from 7:00 a.m. to 9:00 p.m. (Central Time) Monday through Thursday, 7:00 a.m. to 7:00 p.m. on Friday, and 8:30 a.m. to 5:00 p.m. on Saturday. Please have your credit card available for payment of examination fees.

OR

3. **Fax your registration form**

Complete the registration form included in this handbook and fax it to PSI at the number included on the form. All sections of this form must be completed. Within 24 hours of receiving your faxed registration form, PSI will fax you a notice that it has been received. This option is available only for individuals paying the examination fee by credit card.

OR

4. **Mail your registration form**

Complete the registration form included in this handbook and mail it to PSI with the examination fee (paid by cashier's check or money order) to the address indicated on the form. All sections of this form must be completed. This form will be returned if it is incomplete, illegible or submitted with an incorrect fee.

Call PSI at 855-340-3893 at least 7-10 business days after mailing your registration form to schedule your appointment.

If special accommodations are being requested, please submit the Request for Special Examination Accommodations Form included on pages 19-20 prior to contacting PSI at 855-340-3893 to schedule your examination.

When you contact PSI to schedule an appointment, please be prepared to confirm a date and location for testing and to provide your name and Social Security number. Note: Your Social Security number is required for unique identification. All individuals are scheduled on a first-come, first-served basis. Refer to the following chart.

If you contact PSI by 3:00 p.m. Central Time on...	Depending on availability, your examination may be scheduled beginning...
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday/Saturday
Thursday	Monday
Friday	Tuesday

You will be notified of the time to report to the Test Center. You will only be allowed to take the examination type for which you have applied; no changes in examination type will be made at the Test Center. **UNSCHEDULED CANDIDATES (WALK-INS) WILL NOT BE ADMITTED** to the Test Center.

## Special Arrangements for Candidates with Disabilities

PSI is interested in ensuring that no individual with a disability is deprived of the opportunity to take the examination solely by reason of that disability. PSI will provide reasonable accommodations for candidates with disabilities.

1. Wheelchair access is available at all established Test Centers. Candidates must advise PSI at the time of registration that wheelchair access is necessary.
2. Candidates with visual, sensory or physical disabilities that would prevent them from taking the examination under standard conditions may request special accommodations and arrangements using the form included on pages 19-20 of this handbook.

Candidates requesting special accommodations will be required to submit documentation of their disability via fax or mail before they are scheduled for an examination. All special arrangements will be made on an individual basis. Please inform PSI of your need for special accommodations when scheduling your examination.



## EXAMINATION APPOINTMENT CHANGES

You may reschedule your examination appointment at no charge once online at <http://schedule.psiexams.com> or by calling PSI at 855-340-3893 at least two business days prior to the scheduled testing session. (See the following table.)

If your examination is scheduled on...	You must contact PSI by 3:00 p.m. Central Time to reschedule the examination by the previous...
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday
Thursday	Monday
Friday	Tuesday

## MISSED APPOINTMENTS AND FORFEITURES

You will forfeit your application and all fees paid to take the examination under the following circumstances.

- You wish to reschedule an examination but fail to contact PSI at least two business days prior to the scheduled examination session.
- You wish to reschedule a second time.
- You appear more than 15 minutes late for an examination.
- You fail to report for an examination appointment.
- You fail to present the required documents (proper ID, etc.) on the day of the examination.
- You refuse to provide a fingerprint scan.

A complete application and examination fee are required to reapply for the examination.

## INCLEMENT WEATHER, POWER FAILURE OR EMERGENCY

In the event of inclement weather or unforeseen emergencies on the day of an examination, PSI will determine whether circumstances warrant the cancellation, and subsequent rescheduling, of an examination. The examination will usually not be rescheduled if the Test Center personnel are able to open the Test Center.

You may visit the [www.psionline.com/openings](http://www.psionline.com/openings) website prior to the examination to determine if PSI has been advised that any Test Centers are closed. Every attempt is

made to administer the examination as scheduled; however, should an examination be canceled at a Test Center, all scheduled candidates will receive notification following the examination regarding rescheduling or reapplication procedures.

If power to a Test Center is temporarily interrupted during an administration, your examination will be restarted. The responses provided up to the point of interruption will be intact.

## NO REFUNDS

If you fail to arrive at the Test Center on the date and time you are scheduled for examination you will not be refunded any portion of your examination fee and must reregister by contacting PSI; examination fees may NOT be transferred to another appointment.

If you arrive more than 15 minutes late for an appointment, fail to present the appropriate identification or refuse to provide a fingerprint scan you will not be admitted, will forfeit your examination fee, and must reregister for the examination by contacting PSI.

## PREPARING FOR THE EXAMINATION

The study and test-taking advice described here may be helpful as you prepare for your examination. Try to be objective about your individual learning needs when deciding how best to study. Plan your study schedule well in advance. Use learning techniques, such as reading or audiovisual aids. Be sure you find a quiet place to study where you will not be interrupted. We suggest you concentrate your study efforts on a few carefully chosen textbooks.

## EXAMINATION CONTENT

To begin your preparation in an informed and organized manner, you should know what to expect from the actual examination in terms of the content. Information regarding the content of the examination you will be taking is presented in the following sections.

### ■ Broker Examination

The Illinois Real Estate Broker Examination consists of two portions: the National portion and the State portion. The total time allowed for both portions of the examination is 3.5 hours. The questions on the two portions are not intermixed and will appear as two separate sections.



## ■ National Broker Portion

The National Broker portion is based upon 11 major content areas. Each of the content areas is briefly described here, and an outline of the topics is included in the back of this handbook. In addition, the number of questions devoted to the National Broker examination is indicated for each major content area. The National Broker examination is composed of 100 questions used to compute your score. In addition to the questions used to compute your score, the examination may include five questions that are being “pretested” for use in future versions of this examination. These pretest questions are not identified, and your answers to them do not affect your score.

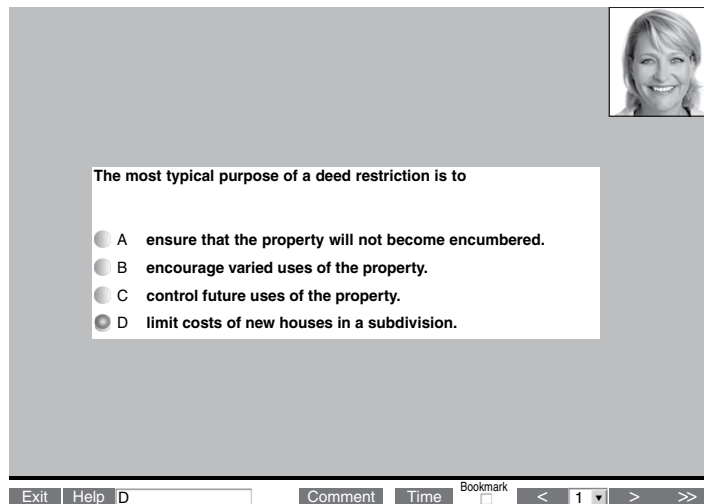
Real Estate Examination Program National Broker Examination Content Outline	
Topic	Number of Questions
1. Property Ownership	8
2. Land Use Controls and Regulations	5
3. Valuation and Market Analysis	7
4. Financing	10
5. General Principles of Agency	13
6. Property Disclosures	6
7. Contracts	17
8. Leasing and Property Management	3
9. Transfer of Title	8
10. Practice of Real Estate	13
11. Real Estate Calculations	10

## ■ State Broker Portion

The State Broker portion deals with topics relating particularly to Illinois real estate license law. There are 40 multiple-choice questions on the State Broker examination. In addition to the items used to compute your score, the examination may include five items that are being “pretested” for use in future versions of these examinations. These pretest questions are not identified, and your answers to them do not affect your score. The following content outline describes the topics covered in the state portion of the broker examination. A more detailed outline is given in the back of this handbook.

State Broker Portion	
	Number of Questions
1. Licensing Requirements	10
2. Laws and Rules Regulating Real Estate Practice	20
3. Disclosures	10

## ■ Taking the Multiple-Choice Examination



The computer monitors the time you spend on the examination. The examination will terminate if you exceed the time allowed. You may click on the “Time” box in the lower right portion of the screen to monitor your time. A digital clock indicates the time remaining for you to complete the examination. The Time feature may be turned off during the examination.

Only one examination question is presented at a time. The question number appears in the lower right portion of the screen. Choices of answers to the examination questions are identified as A, B, C, or D. You must indicate your choice by either typing in the letter in the response box in the lower left portion of the computer screen or clicking on the option using the mouse. To change your answer, enter a different option by typing A, B, C, or D or by clicking on the option using the mouse. You may change your answer as many times as you wish during the examination time limit.

To move to the next question, click on the forward arrow (>) in the lower right portion of the screen. This action will move you forward through the examination question by question. If you wish to review any question, click the backward arrow (<) or use the left arrow key to move backward through the examination.

An examination question may be left unanswered for return later in the examination session. Questions may also be bookmarked for later review by clicking in the blank square to the right of the Time button. Click on the double arrows (>>) to advance to the next unanswered or bookmarked question on the examination. To identify all unanswered and bookmarked questions, repeatedly click on the double arrows (>>). When the examination is completed, the number of examination questions answered is reported.

If not all questions have been answered and there is time remaining, return to the examination and answer those questions. Be sure to provide an answer for each examination question before ending the examination. There is no penalty for guessing.

## Sample Questions

The following illustrate the type of questions used in the National Broker examination. These sample questions do not represent the full range of content or difficulty levels contained in the examinations. They are intended to help you become familiar with the types and formats of questions on the examination. Read each question and decide which answer is best. You may then check your answers with the answer key that follows. The answer key also shows the topic being tested; the topic refers to the content outline included in the back of this handbook.

### BROKER EXAMINATION SAMPLE QUESTIONS

1. Baird bought two rectangular lots, each of which measures 244' x 250'. Approximately how many total acres will be in the two lots combined?
  - A. 2.8
  - B. 3.2
  - C. 5.6
  - D. 7.0
2. A person has been using a property for a long time. That person's rights have been determined to supersede those of the fee simple owner. This is called which of the following?
  - A. escheat
  - B. homestead
  - C. eminent domain
  - D. adverse possession
3. A property has been condemned by the city so that the land can be used to build a better approach to the municipal hospital's emergency entrance. Which of the following powers is the city exercising?
  - A. power of attorney
  - B. police power
  - C. eminent domain
  - D. escheat
4. A broker deliberately shows a buyer homes in only one subdivision where many people of the buyer's religious faith live. Has the broker violated any law?
  - A. Yes, because a broker must show a prospective buyer homes in at least three different areas.
  - B. Yes, because a broker cannot discriminate on the basis of religion when showing property to a buyer.
  - C. No, because the broker's broker is responsible for any violations of law.
  - D. No, because there was no intent to discriminate on the basis of race or national origin.
5. A licensee who works for ABC Realty obtains a listing. Two days later, the licensee begins working for XYZ Realty. Which of the following is true regarding this listing?
  - A. The listing is transferred to XYZ Realty.
  - B. The licensee is entitled to compensation when she begins working for XYZ Realty.
  - C. The listing remains with ABC Realty.
  - D. The listing is automatically terminated.

#### Broker Answer Key

Item #	Key	Topic*
1.	A	XI.A
2.	D	I.C.4
3.	C	II.A.2
4.	B	X.B.2
5.	C	V.C.1

\* Refer to detailed content outline in the back of this handbook.

## ■ National Real Estate Broker Sample Examination

The Sample National Real Estate Broker Examination is available in web-based format. To order the online sample examination, please visit <http://schedule.psiexams.com> and click on “Begin Preparing” and “Real Estate” in the list of Web Tests and choose one of the National Salesperson Examinations. Two versions of the web-based Sample Examination are available. The cost of the basic version is \$15. The cost of the enhanced version that provides detailed explanations of the answers is \$25. Both are available with payment by credit card through the online store. No duplication of the sample examination is allowed. The examination is copyrighted by PSI Services.

## ■ National Managing Broker Examination

The National Managing Broker Examination is presented in simulation problem format and consists of ten simulation problems. Nine of these problems will be used to compute your score. The other problem is not scored and is being pretested for future examinations.

Each simulation problem will have a designated primary issue and property type. Each section within a problem will carry a secondary topic for that section. The primary issue and property type will remain consistent throughout the simulation problem, but the secondary topic can change with each section of the problem. The distribution of issues and property types is given in the Managing Broker Simulation Examination Content Outline.

Each problem will consist of three components: Scenario, Information Gathering (IG) sections and Decision Making (DM) sections. Each problem begins with a scenario. The scenario provides the setting and introductory client information (e.g., age, gender, presenting problem(s)).

In Information Gathering (IG) sections you are to gather all relevant information for answering the question. Read all responses before selecting the responses that you consider necessary for responding to the question. You should select all options that are appropriate at the time. If you select more or fewer answer options than are appropriate, this will adversely impact your IG score.

Decision Making (DM) sections provide opportunities for making judgments or decisions. These sections may be formatted in one of two ways:

1. Single Best Option – There may be more than one acceptable option, but one option is generally regarded most acceptable.
2. Multiple Options – Several options are considered appropriate. These sections address decisions in which a combination of actions is required.

In the decision making section described in 1 above, the instructions will be to “CHOOSE ONLY ONE” option. You should not assume that your response is incorrect if you are directed to make another selection. The simulation examination format sometimes uses this direction. The multiple option type of decision making described in 2 will have instructions to “SELECT AS MANY” options as are appropriate in the situation.

### National Managing Broker Simulation Examination

<b>Primary Issues:</b>	<u># of Problems</u>
1. Agency Relationships and Property Representations	3
2. Fair Housing and Other Governmental Regulations	2
3. Handling Money	2
4. Training and Supervision of Licensees	1
Plus one primary issue varying by examination form	1
<b>Section Topics:</b>	
A. Agency	
B. Contracts	
C. Freehold and Leasehold	
D. Property Management	
E. Finance	
F. Government Regulations and Private Restrictions	
G. Description and Measurement	
H. Valuation	
I. Conveyance	
J. Calculations	
K. Ethical Behavior (must be incorporated in at least 4 problems)	
<b>Property Types:</b>	<u># of Problems</u>
1. Residential	4
2. Commercial	2
3. Property Management	1
Plus two property types varying by examination form	2

## State Managing Broker Examination

The state managing broker portion deals with topics relating particularly to Illinois real estate license law. There are 40 multiple-choice questions on the state managing broker examination. In addition to the items used to compute your score, the examination may include five items that are being “pretested” for use in future versions of these examinations. These pretest questions are not identified, and your answers to them do not affect your score. The following content outline describes the topics covered in the state portion of the managing broker examination. A more detailed outline is given in the back of the handbook.

State Managing Broker Portion	
	<u>Number of Questions</u>
1. Licensing Requirements	8
2. Laws and Rules Regulating Real Estate Practice	18
3. Disclosures	8
4. Managing Broker Topics	6

## National Real Estate Managing Broker Simulation Sample Examination

The National Real Estate Managing Broker Simulation Sample Examination is available in web-based format. The sample examination includes four problems that are similar to those found on the real estate managing broker licensing examination for those states using this testing format. The sample examination is purchased and taken online at the convenience of the purchaser. To order the online sample examination, please visit <http://schedule.psiexams.com> and click on “Begin Preparing” and “Real Estate” in the list of Web Tests then choose “National Real Estate Managing Broker Simulation Sample Examination.” The cost of the sample examination is \$25. The sample examination is available with payment by credit card through the online store. No duplication of the sample examination is allowed. The sample examination is copyrighted by PSI Services.

## Taking the Simulation Examination

Three windows appear on the screen at all times during a simulation examination (see Figure 1). The **Scenario Window** section is displayed across the top of the screen; your picture is displayed in the upper right portion of this window. Each simulation begins with a brief paragraph in this window that provides preliminary information about the situation; subsequent sections contain information about the changing situation. A scroll bar is available when necessary to view all text. Each **Scenario Window** will also provide you with specific instructions about whether to “CHOOSE ONLY ONE” response in the section or to

“SELECT AS MANY” responses as appropriate to gather information.

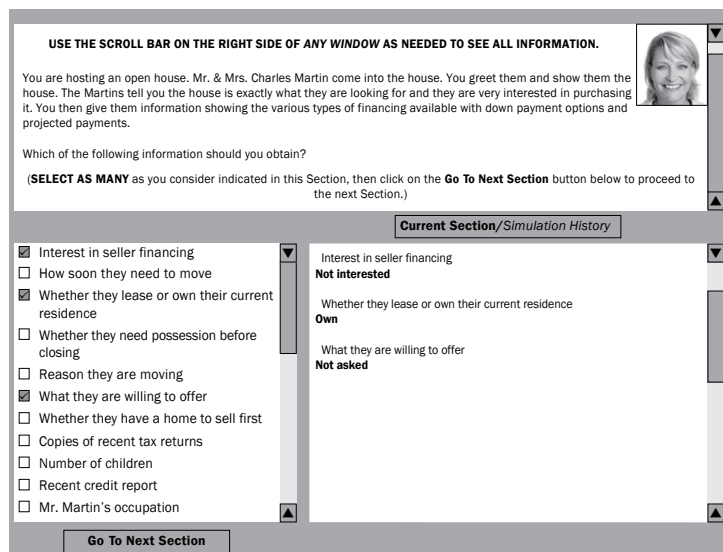


Figure 1. Sample computerized simulation screen layout – Three windows appear on the screen at all times during a simulation examination.

The **Options Window** is displayed as the lower left portion of the screen and contains all options (choices or possible responses) from which to choose in the current section. A scroll bar is also available when necessary to view all options.

The **Simulation History Window** is displayed as the lower right portion of the screen. This window can be displayed in two formats using the button labeled “Current Section/ Simulation History” located at the top of this window. When in the “Current Section” mode, the options chosen in the current section and the results for each choice are displayed in this window. When in the “Simulation History” mode, the scenarios from all previous sections as well as the options chosen and their results are displayed in the window. A scroll bar is available on the right side of this window to review previous scenarios and/or options and results.

Once you have read the scenario for each section and determined which option(s) are appropriate for selection, you can simply click the box to the left of the option to “choose” it. There are guidelines above and below each response. The upper and lower guideline must be visible on screen for a response to be selected. Immediately, the option selected and the results for that option appear in the right-hand **Simulation History Window**. After you select or “choose” an option, **you cannot reconsider and “unselect” it, since the information from that option has been revealed.**

In sections where you are instructed to “SELECT AS MANY as you consider indicated,” you should select all of the options believed appropriate at the time and then click the “Go To Next Section” button at the bottom left of the



screen to continue to the next section. A dialog box will appear requesting that you confirm your wish to continue to the next section and warning that returning to this section to make additional choices will not be possible.

By selecting “Yes,” the software automatically takes you to the next section of the simulation.

In sections where you are instructed to “CHOOSE ONLY ONE unless directed to make another selection,” you should carefully review each option and then choose the one best option. A dialog box will then appear to present the results for the choice or request that you select another response in the section.

A “Help Screen” will be accessible to you throughout the simulation examination to explain how to navigate through the examination.

## TAKING THE EXAMINATION

Your examination will be given on computer at a PSI Test Center. You do not need any computer experience or typing skills to take your examination. On the day of your examination appointment, report to the Test Center 30 minutes prior your scheduled examination time. Look for signs indicating PSI Test Center Check-in. **IF YOU ARRIVE MORE THAN 15 MINUTES AFTER THE SCHEDULED EXAMINATION TIME, YOU WILL NOT BE ADMITTED.**

### ■ Identification and Fingerprinting

To gain admission to the Test Center, you must present two forms of proper identification and provide biometric verification of your identity. Biometric identification may include a test center captured photograph or a fingerprint scan. The primary form of identification must be government issued, current and include your name, signature and photograph. No form of temporary identification will be accepted. You also will be required to sign a roster for verification of identity.

- Examples of valid primary forms of identification are: driver’s license with photograph; state identification card with photograph; passport; military identification card with photograph.
- The secondary form of identification must display your name and signature for signature verification (e.g., credit card with signature, social security card with signature, employment/student ID card with signature).
- If your name on your registration is different than it appears on your identification, you must bring proof of your name change (e.g., marriage license, divorce decree or court order).

Failure to provide appropriate identification and biometric verification at the time of the examination is considered a missed appointment. There will be no refund of your

examination fee. Your testing session also is subject to video surveillance. If you do not agree to these conditions, you will not be able to test and will be excused from the Test Center. Your examination fee will NOT be refunded.

## RULES FOR THE EXAMINATION

### ■ Security

PSI administration and security standards are designed to ensure all candidates are provided the same opportunity to demonstrate their abilities. The Test Center is continuously monitored by audio and video surveillance equipment for security purposes.

The following security procedures apply during the examination:

- Examinations are proprietary. No cameras, notes, tape recorders, pagers or cellular/smart phones are allowed in the testing room. Possession of a cellular/smart phone or other electronic devices is strictly prohibited and will result in dismissal from the examination.
- Only silent, non-programmable calculators without alphabetic keypads or printing capabilities are allowed in the testing room.
- No guests, visitors or family members are allowed in the testing room or reception areas.

### ■ Personal Belongings

No personal items, valuables, or weapons should be brought to the Test Center. Only wallets and keys are permitted. Coats must be left outside the testing room. You will be provided a soft locker to store your wallet and/or keys with you in the testing room. The proctor will lock the soft locker prior to you entering the testing room. You will not have access to these items until after the examination is completed. Please note the following items will not be allowed in the testing room except securely locked in the soft locker.

- watches
- hats
- wallets
- keys

Once you have placed your belongings into the soft locker, you will be asked to pull out your pockets to ensure they are empty. If all personal items will not fit in the soft locker you will not be able to test. The site will not store any personal belongings.

If any personal items are observed or heard (e.g., cellular/smart phones, alarms) in the testing room after the examination is started, you will be dismissed and the administration will be forfeited.

## ■ Examination Restrictions

- Pencils will be provided during check-in.
- You will be provided with one piece of scratch paper at a time to use during the examination, unless noted on the sign-in roster for a particular candidate. You must return the scratch paper to the supervisor at the completion of testing, or you will not receive your score report.
- No documents or notes of any kind may be removed from the Test Center.
- No questions concerning the content of the examination may be asked during the examination.
- Eating, drinking or smoking will not be permitted in the Test Center.
- You may take a break whenever you wish, but you will not be allowed additional time to make up for time lost during breaks.

## ■ Misconduct

If you engage in any of the following conduct during the examination you may be dismissed, your scores will not be reported and examination fees will not be refunded. Examples of misconduct are when you:

- create a disturbance, are abusive, or otherwise uncooperative;
- display and/or use electronic communications equipment such as pagers, cellular/smart phones;
- talk or participate in conversation with other examination candidates during the examination;
- give or receive help or are suspected of doing so;
- leave the Test Center during the administration;
- attempt to record examination questions or make notes;
- attempt to take the examination for someone else;
- are observed with personal belongings; or
- are observed with notes, books or other aids without it being noted on the roster.

## ■ Copyrighted Examination Questions

All examination questions are the copyrighted property of PSI Services. It is forbidden under federal copyright law to copy, reproduce, record, distribute or display these examination questions by any means, in whole or in part. Doing so may subject you to severe civil and criminal penalties.

## ■ Computer Login

After your identification has been confirmed, you will be directed to a testing carrel. You will be instructed on-screen to enter your Social Security number. You will be prompted to provide a fingerprint scan and take your photograph. Your photograph will remain on-screen throughout your

examination session. This photograph will also print on your score report.

## ■ Practice Examination

Prior to attempting the examination, you will be given the opportunity to practice taking an examination on the computer. The time you use for this practice examination is NOT counted as part of your examination time or score. When you are comfortable with the computer testing process, you may quit the practice session and begin the timed examination.

## ■ Timed Examination

Following the practice examination, you will begin the actual examination. Before beginning, instructions for taking the examination will be provided on-screen. The following time limits will be in effect for each examination.

<u>Examination</u>	<u>Time Allotted</u>
Broker (national and state portion)	3½ hours
Broker State portion ONLY	1½ hours
Broker National portion ONLY	2½ hours
Leasing Agent	2 hours
Managing Broker National Simulation portion	2½ hours
Managing Broker State portion	1½ hours

## ■ Candidate Comments

During the multiple-choice examination, you may make comments for any question by clicking on the Comment button to the left of the TIME button. This opens a dialogue box where comments may be entered. Comments will be reviewed, but individual responses will not be provided. Additional time will NOT be provided for comment submission.

## FOLLOWING THE EXAMINATION

After you finish the examination, you will be required to answer the following candidate screening questions. You must answer these questions and provide any required documentation when applying for a license.

*You are not required to report: (1) law enforcement records, court records, and conviction records if you were 17 years old at the time of the offense and before January 1, 2014, unless the nature of the offense required you to be tried as an adult; or (2) arrests not followed by a charge or conviction; or (3) records of arrest where the charges were dismissed unless the charges were related to the practice of the real estate profession; or (4) convictions or arrests that have been sealed or expunged; or (5) convictions that were overturned by a higher court. You are also not required to report a juvenile adjudication occurring prior to your 18th birthday involving a violation or attempt to violate any federal, State, county or municipal law or ordinance other than (i) first degree murder, (ii) aggravated criminal sexual assault, or (iii) aggravated battery with a firearm.*

1. Are you a high school graduate or have you received your GED?
2. Have you been convicted in ANY state or federal jurisdiction, including military courts, of a felony?
3. Have you been convicted in ANY state or federal jurisdiction, including military courts, of any crime of which an essential element is dishonesty?
4. Have you ever held a real estate license in Illinois?
5. Have you ever held, or do you currently hold, a real estate license in any other state/jurisdiction?
6. \*Have you been actively practicing as a managing broker or equivalent in your state of licensure for the last two years? *\*This question only applies to Managing Brokers.*
7. Have you been denied a professional license or permit or the privilege of taking an examination?
8. Have you ever had a professional license or permit disciplined by any licensing authority in Illinois or any other state/jurisdiction?
9. Have you ever been discharged from the armed services, other than honorably, or from a city, county, state, or federal position?
10. Are you more than 30 days in arrears on any court ordered child support payments?
11. Are you in arrears on any state taxes due to the Illinois Department of Revenue?

You will also be asked to answer a short series of questions regarding the Test Center facilities.

**NOTE:** Brokers will have 10 questions. Managing brokers will have 11 questions.

## ■ How Passing Scores Are Determined

### • Multiple-Choice Examination

The minimum score required to pass the multiple-choice portions is determined by using a process known as the Angoff method, in which subject-matter experts estimate the difficulty of each item on the examination for the “minimally competent practitioner” (MCP). These judgments are averaged to determine the minimum passing score, which represents the amount of knowledge an MCP would likely demonstrate on the examination.

### • Simulation Examination

The passing score for the simulation examination is determined using a method similar to that described for multiple-choice portions. Each section in a simulation was evaluated by content experts when the problem was developed. A minimum passing level (MPL) was established for the section using the scoring weights assigned to the options in that section and represents the level of performance expected of a “minimally competent

practitioner.” The overall examination has an Information Gathering (IG) MPL and a Decision Making (DM) MPL, which represent the sums of the MPLs of all IG and DM sections on the examination.

### • Equating

A statistical process called equating is used to ensure consistency in the meaning of the score required to pass an examination. If the raw passing score varies slightly between different versions (or “forms”), the level of knowledge required to achieve the passing score remains the same, thus assuring that all candidates are treated fairly.

### • Scaled Scores

Scaled scores are reported to emphasize that although different forms of the examination may have slight differences in difficulty, the passing score for an examination is based on a consistent level of performance. Scaled scores are computed by setting the raw passing score equal to the scaled score required to pass. The scaled score is **not** the same as a percentage. The raw passing score may vary slightly between forms, depending on the difficulty of the items on the form; however, the scaled score required to pass (and the level of knowledge required to pass) does not change. This process is used to ensure fairness to all candidates.

## ■ Your Broker Examination Score Report

After you have completed the broker examination, you will be instructed to report to the testing supervisor to receive your score report. Your score report will show your result for your examination. You will only receive diagnostic scoring information if you did not pass the National portion. You will not receive diagnostic scoring information if you did not pass the State portion. To be eligible to apply for a broker license in Illinois, you must pass both the national and state portions of the examination. If you passed one portion of the examination, you have one year from the date of passing that portion to retake and pass the remaining portion, make application, and meet the requirements for licensure. The passing score for each portion of the Broker examination is a scaled score of 75.

## ■ Your Managing Broker Examination Score Report

After you have completed the Managing Broker examination, you will be instructed to report to the testing supervisor to receive your score report. Your score report will show your result for your examination. You will only receive diagnostic scoring information if you did not pass the National portion. You will not receive diagnostic scoring information if you did not pass the State portion. To be eligible to apply for a managing broker license in Illinois, you must pass both the national simulation and

state multiple-choice portions of the examination. If you passed one portion of the examination, you have one year from the date of passing that portion to retake and pass the remaining portion, make application, and meet the requirements for licensure.

For the national simulation portion of the examination, you will score points for Information Gathering (IG) sections and for Decision Making (DM) sections. The sum of your scores on all IG sections is reported as your IG total raw score, and the sum of your scores on all DM sections is reported as your DM total raw score. Your total raw scores are converted to scaled scores, and you must meet or exceed scaled scores of 75 for both IG and DM to pass this examination.

The passing score for the state multiple-choice portion of the examination is a scaled score of 75.

## ■ Your Leasing Agent Examination Score Report

After you have completed the Leasing Agent examination, you will be instructed to report to the testing supervisor to receive your score report. Your score report will show your result for your examination. The passing score for the Leasing Agent examination is a scaled score of 75.

## ■ If You Pass the Examination

If you pass the appropriate examination(s), you will receive a score report with instructions for applying for a license at the IDFPR Online Services Portal at <https://ilesonline.idfpr.illinois.gov/DFPR/Default.aspx>. If you fall in one of the categories listed below, you will not receive a 45-day permit sponsor card. You must follow the license instructions and provide any required documentation when you submit your application for licensure.

- **Broker and Leasing Agent Candidates:** If you answered “yes” to candidate screening questions 2,3,5, or 7-11 on [pages 12 and 13 of this handbook](#).  
**NOTE:** On the broker and leasing agent examination, the corresponding questions are 2,3,5, or 6-10.
- **Managing Broker Candidates:** If you answered “yes” to the candidate screening questions 2, 3, 5, or 7-11 or “no” to question 6.

## ■ If You Fail the Examination

If you fail any portion of the broker or managing broker examination, your score report will include diagnostic scoring information and reapplication instructions. You will only be required to repeat the portion(s) that you failed.

If you passed one portion of the examination, you have one year from the date of passing that portion to retake and

pass the remaining portion, make application, and meet the requirements for licensure. Candidates are allowed up to four attempts to pass the examination. After failing the fourth attempt, you are required to retake the following education and the entire examination:

- Leasing Agent – retake the 15-hour pre-license education; or
- Broker – retake the 75-hour broker pre-license education; or
- Managing broker with an active Illinois broker license – retake the 45-hour managing broker pre-license education; or
- Managing broker without an active Illinois broker license – retake the 165-hour managing broker pre-license education; or
- **Education exempt candidates do not have to complete the requirements listed above.**

## ■ Score Averaging

It is important to keep in mind that your total score in the national portion is not the average of the subscores provided for each of the major content areas. This is because some content areas contain larger numbers of questions than others. Your total percentage score reflects the number of questions that you answered correctly divided by the total number of questions.

## ■ Duplicate Score Report

You may purchase additional copies of your score report at a cost of \$25 per copy. Requests must be submitted to PSI, in writing, within 12 months after the examination. Complete the request form on page 18 of this handbook and submit it with the required fee payable to PSI Services Inc. Duplicate score reports will be processed and mailed within approximately five business days following receipt of the request.

## LICENSE APPLICATION INSTRUCTIONS

After you have passed the Illinois Real Estate Examination, you must follow the directions provided on your passing score report/license application. The licensure process cannot begin until you have passed the examination and received a passing score report from PSI. Licensure application materials may be submitted to PSI, 3223 South Meadowbrook Road Suite B, Springfield, IL 62711 or apply and submit all requirements for licensure on the IDFPR Online Services Portal at <https://ilesonline.idfpr.illinois.gov/DFPR/Default.aspx>.



# ILLINOIS REAL ESTATE EXAMINATIONS

## EXAMINATION REGISTRATION FORM

### Instructions for Completing the Examination Registration Form

The numbered items correspond to the numbered blanks on the registration form (reverse side). PLEASE TYPE OR PRINT IN INK ALL INFORMATION.

1. **NAME:** Enter your last name, first name and middle initial exactly as they appear on your driver's license. Do not use nicknames.
2. **MAILING ADDRESS:** Abbreviate words like street, drive or road, and enter your zip code.
3. **TELEPHONE AND FAX NUMBER:** Please provide a telephone number at which you may be reached during normal business hours Monday through Friday. This number will be used by PSI only in the event you have failed to complete your registration form correctly or if there should be a last minute change in the Test Center location. Provide your fax number if you are paying by credit card and faxing your registration form to PSI.
4. **SOCIAL SECURITY NUMBER:** Enter your Social Security number. YOUR SOCIAL SECURITY NUMBER WILL BE USED AS YOUR IDENTIFICATION NUMBER FOR THIS EXAMINATION. WE CANNOT PROCESS YOUR REGISTRATION WITHOUT IT!
5. **BIRTH DATE:** Enter the month, day and year of your birth.
6. **EXAMINATION TYPE:** Choose the appropriate boxes and indicate if you have attempted the examination before.
7. **EXAMINATION PORTION:** *Broker and Managing Broker registrants only.* Choose the appropriate box.
8. **REAL ESTATE EDUCATION PROGRAM COMPLETED:** Provide your school name and code and date of graduation.
9. **PRELICENSE EDUCATION AND DOCUMENTATION:** Indicate yes or no.
10. **EXAMINATION FEE:** The examination fee for Brokers and Managing Brokers is \$58; the examination fee for Leasing Agents is \$37. This fee must be submitted with your registration form, unless payment is made by credit card. Cashier's checks and money orders should be made payable to PSI Services Inc. Payment by cash or personal check is not acceptable.
11. **RELEASE:** Indicate yes or no.
12. **SIGNATURE AND DATE:** Read the statement and sign your name as you would on a check or business letter.

# ILLINOIS REAL ESTATE EXAMINATION REGISTRATION FORM

Using the instructions on the previous page, complete this form and mail the registration form with the examination fee (unless payment is made by credit card) to: PSI, 3223 South Meadowbrook Road Suite B, Springfield, IL 62711.

1. **NAME** \_\_\_\_\_  
 Last Name First Name M.I.

2. **MAILING ADDRESS** \_\_\_\_\_  
 Number, Street and Apartment Number  
 \_\_\_\_\_  
 City State Zip Code

3. **TELEPHONE NUMBER** (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ **FAX NUMBER** (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_  
 Daytime Telephone (Complete only if you are faxing this form to PSI.)

4. **SOCIAL SECURITY NUMBER** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

5. **BIRTH DATE** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
 Month Day Year

6. **EXAMINATION TYPE** (check one)  
 Broker  Managing Broker  Leasing Agent

Have you attempted this examination before?  Yes  No  
 If yes, when did you last attempt this examination? \_\_\_\_\_

7. **EXAMINATION PORTION** (Broker and Managing Broker registrants only – check one)  
 Both portions  State portion only  National portion only

8. **REAL ESTATE EDUCATION PROGRAM COMPLETED**  
 School Name: \_\_\_\_\_ Code: \_\_\_\_\_  
 Graduation Date: \_\_\_\_\_

9. **PRELICENSE EDUCATION AND DOCUMENTATION**  
 I have read the license requirements and qualifications on pages 2-4 of this handbook and have completed the requirements indicated and enclosed any required documentation.  Yes  No

10. **EXAMINATION FEE** Broker or Managing Broker – \$58 Leasing Agent – \$37  
 Your examination fee must be submitted with your registration form. Payment may be made by cashier's check or money order payable to PSI Services Inc. or by credit card. Payment by cash or personal check is not acceptable. If payment is made by credit card, complete the information below.  
Credit Card Payment Information:  VISA  MasterCard  American Express  Discover  
 Card No.: \_\_\_\_\_ Exp. Date: \_\_\_\_\_  
 Name: \_\_\_\_\_ Signature: \_\_\_\_\_

11. **RELEASE:** I give PSI my permission to release my name and address to real estate schools, Managing Brokers or other interested parties who request them.  Yes  No

12. **SIGNATURE AND DATE**  
 I have read and understand the information provided in the Candidate Handbook, and the information I have provided on this registration form is true and complete to the best of my knowledge.  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Mail this form and necessary documentation with cashier's check or money order to:

**PSI**  
**3223 South Meadowbrook Road, Suite B**  
**Springfield, IL 62711**



## DUPLICATE SCORE REPORT REQUEST FORM FOR ILLINOIS REAL ESTATE

**DIRECTIONS:** Use this form to request a duplicate score report. Complete all requested information. This form must be received within one year of the examination date and include a check or money order payable to PSI Services Inc. for \$25 per copy. Duplicate score reports will be processed and mailed within approximately five business days following receipt of the request.

Name: \_\_\_\_\_ Social Security #: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Daytime Phone: \_\_\_\_\_

Examination Taken:  Broker                      Examination Date: \_\_\_\_\_      Test Center: \_\_\_\_\_  
 Managing Broker  
 Leasing Agent

I hereby authorize PSI to send me a duplicate of my examination results.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Mail completed form and correct fee to:  
**PSI, Illinois Real Estate**  
**18000 W. 105th St.**  
**Olathe, KS 66061-7543**





## REQUEST FOR SPECIAL EXAMINATION ACCOMMODATIONS

If you have a disability covered by the Americans with Disabilities Act, **please complete this form and provide the Documentation of Disability-Related Needs on the next page and submit it with your application at least 45 days prior to your requested examination date.** The information you provide and any documentation regarding your disability and your need for accommodation in testing will be treated with strict confidentiality.

### Candidate Information

Candidate ID # \_\_\_\_\_ Requested Test Center: \_\_\_\_\_

\_\_\_\_\_  
Name (Last, First, Middle Initial, Former Name)

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Daytime Telephone Number

\_\_\_\_\_  
Email Address

### Special Accommodations

I request special accommodations for the \_\_\_\_\_ examination.

Please provide (check all that apply):

Reader

Extended testing time (time and a half)

Reduced distraction environment

Please specify below if other special accommodations are needed.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### PLEASE READ AND SIGN:

I give my permission for my diagnosing professional to discuss with PSI staff my records and history as they relate to the requested accommodation.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Return this form to:**

**PSI, 18000 W. 105th St., Olathe, KS 66061-7543; Fax: 913-895-4650  
If you have questions, call Candidate Services at 800-367-1565 ext. 6750.**



# DOCUMENTATION OF DISABILITY-RELATED NEEDS

Please have this section completed by an appropriate professional (education professional, physician, psychologist, psychiatrist) to ensure that PSI is able to provide the required accommodations.

## Professional Documentation

I have known \_\_\_\_\_ since \_\_\_\_ / \_\_\_\_ / \_\_\_\_ in my capacity as a  
Candidate Name Date

\_\_\_\_\_  
My Professional Title

The candidate discussed with me the nature of the test to be administered. It is my opinion that, because of this candidate's disability described below, he/she should be accommodated by providing the special arrangements listed on the Request for Special Examination Accommodations form.

Description of Disability: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed: \_\_\_\_\_ Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

Date: \_\_\_\_\_ License # (if applicable): \_\_\_\_\_

**Return this form to:**  
**PSI, 18000 W. 105th St., Olathe, KS 66061-7543; Fax: 913-895-4650**  
**or submit this form with your online request at**  
**[https://psi-cdexp.zendesk.com/hc/en-us/requests/new?ticket\\_form\\_id=360000150872](https://psi-cdexp.zendesk.com/hc/en-us/requests/new?ticket_form_id=360000150872)**

**If you have questions, call Candidate Services at 800-367-1565 ext. 6750.**





## DETAILED CONTENT OUTLINE

- I. Property ownership** (*Recall/Recognition 3; Application/Analysis 5*)
  - A. Real versus personal property; conveyances (2)**
  - B. Land characteristics and legal descriptions (2)**
    - 1. Types of legal descriptions; Metes and bounds, Lot and block, government survey
    - 2. Measuring structures
    - 3. Livable, rentable, and usable area
    - 4. Land Measurement
    - 5. Mineral, air, and water rights
  - C. Encumbrances and effects on property ownership (2)**
    - 1. Liens
    - 2. Easements and licenses
    - 3. Encroachments
    - 4. Other potential encumbrances of title
  - D. Types of ownership (2)**
    - 1. Tenants in common
    - 2. Joint tenancy
    - 3. Common- interest ownership
      - a) Timeshares
      - b) Condominiums
      - c) Co-ops
    - 4. Ownership in severalty/sole ownership
    - 5. Life Estate ownership
- II. Land use controls and regulations** (*Recall/Recognition 2; Application/Analysis 3*)
  - A. Government rights in land (1)**
    - 1. Property taxes and special assessments
    - 2. Eminent domain, condemnation, escheat
  - B. Government controls (2)**
    - 1. Zoning and master plans
    - 2. Building codes
    - 3. Regulation of special land types
      - a) Flood zones
      - b) Wet lands
    - 4. Regulation of environmental hazards
      - a) Types of hazards
      - b) Abatement and mitigation
      - c) Restrictions on contaminated property
  - C. Private controls (2)**
    - 1. Deed conditions or restrictions
    - 2. Covenants, conditions, and restrictions (CC&Rs)
    - 3. Homeowners association regulations
- III. Valuation and market analysis** (*Recall/Recognition 3; Application/Analysis 4*)
  - A. Appraisals (2)**
    - 1. Purpose and use of appraisals for valuation
    - 2. General steps in appraisal process
    - 3. Situations requiring appraisal by certified appraiser
  - B. Estimating Value (3)**
    - 1. Effect of economic principles and property characteristics
    - 2. Sales or market comparison approach
    - 3. Cost approach
    - 4. Income analysis approach
- IV. Financing** (*Recall/Recognition 6; Application/Analysis 4*)
  - A. Basic concepts and terminology (3)**
    - 1. Points
    - 2. LTV
    - 3. PMI
    - 4. Interest
    - 5. PITI
    - 6. Financing instruments (mortgage, promissory note, etc.)
  - B. Types of loans (4)**
    - 1. Conventional loans
    - 2. FHA Insured loans
    - 3. VA guaranteed loans
    - 4. USDA/rural loan programs
    - 5. Amortized loans
    - 6. Adjustable-rate mortgage loans
    - 7. Bridge loans
    - 8. Owner financing (installment and land contract/contract for deed)
  - C. Financing and lending (3)**
    - 1. Lending process application through closing
    - 2. Financing and credit laws and rules
      - a) Truth in lending
      - b) RESPA
      - c) Equal Credit Opportunity
      - d) CFPB/TRID rules on financing and risky loan features
    - 3. Underwriting
      - a) Debt ratios
      - b) Credit scoring
      - c) Credit history
- V. General principles of agency** (*Recall/Recognition 4; Application/Analysis 9*)
  - A. Agency and non-agency relationships (2)**
    - 1. Types of agents and agencies
    - 2. Other brokerage relationships (non-agents)
      - a) Transactional
      - b) Facilitators
  - B. Agent's duties to clients (4)**
    - 1. Fiduciary responsibilities
    - 2. Traditional agency duties (COALD)
    - 3. Powers of attorney and other delegation of authority
  - C. Creation of agency and non-agency agreements; disclosure of conflict of interest (4)**
    - 1. Agency and agency agreements
      - a) Key elements of different types of listing contracts
      - b) Key elements of buyer brokerage/tenant representation contracts
    - 2. Disclosure when acting as principal or other conflict of interest
  - D. Responsibilities of agent to customers and third parties, including disclosure, honesty, integrity, accounting for money (2)**
- C. Competitive/Comparative Market Analysis (2)**
  - 1. Selecting comparables
  - 2. Adjusting comparables



## E. Termination of agency (1)

1. Expiration
2. Completion/performance
3. Termination by force of law
4. Destruction of property/death of principal
5. Mutual agreement

## VI. Property disclosures (*Recall/Recognition 3; Application/Analysis 3*)

### A. Property condition (2)

1. Property condition that may warrant inspections and surveys
2. Proposed uses or changes in uses that should trigger inquiry about public or private land use controls

### B. Environmental issues requiring disclosure (1)

### C. Government disclosure requirements (LEAD) (1)

### D. Material facts and defect disclosure (2)

## VII. Contracts (*Recall/Recognition 7; Application/Analysis 10*)

### A. General knowledge of contract law (10)

1. Requirements for validity
2. Factors affecting enforceability of contracts
3. Void, voidable, unenforceable contracts
4. Rights and obligations of parties to a contract
5. Executory and executed contracts
6. Notice, delivery and acceptance of contracts
7. Breach of contract and remedies for breach
8. Termination, rescission and cancellation of contracts
9. Electronic signature and paperless transactions
10. Bilateral vs. unilateral contracts (option agreements)

### B. Contract Clauses, including amendments and addenda (1)

### C. Offers/purchase agreements (4)

1. General requirements
2. When offer becomes binding
3. Contingencies
4. Time is of the essence

### D. Counteroffers/multiple offers (2)

1. Counteroffers
2. Multiple offers

## VIII. Leasing and Property Management (*Recall/Recognition 2; Application/Analysis 1*)

### A. Basic concepts/duties of property management (0-1)

### B. Lease Agreements (0-1)

1. Types of leases, e.g., percentage, gross, net, ground
2. Key elements and provisions of lease agreements

### C. Landlord and tenant rights and obligations (0-1)

### D. Property manager's fiduciary responsibilities (0-1)

### E. ADA and Fair Housing compliance in property management (0-1)

## IX. Transfer of Title (*Recall/Recognition 5; Application/Analysis 3*)

### A. Title Insurance (2)

1. What is insured against
2. Title searches, title abstracts, chain of title
3. Marketable vs insurable title
4. Potential title problems and resolution

## B. Deeds (2)

1. Purpose of deed, when title passes
2. Types of deeds and when used
3. Essential elements of deeds
4. Importance of recording

## C. Escrow or closing; tax aspects of transferring title to real property (2)

1. Responsibilities of escrow agent
2. Prorated items
3. Closing statements/TRID disclosures
4. Estimating closing costs
5. Property and income taxes

## D. Special processes (1)

1. Foreclosure
2. Short sale

## E. Warranties (1)

1. Purpose of home or construction warranty programs
2. Scope of home or construction warranty programs

## X. Practice of real estate (*Recall/Recognition 6; Application/Analysis 7*)

### A. Trust/escrow accounts (2)

1. Purpose and definition of trust accounts, including monies held in trust accounts
2. Responsibility for trust monies, including commingling/conversion

### B. Federal fair housing laws and the ADA (4)

1. Protected classes
2. Prohibited conduct (red-lining, blockbusting, steering)
3. Americans with Disabilities (ADA)
4. Exemptions

### C. Advertising and technology (4)

1. Advertising practices
  - a) Truth in advertising
  - b) Fair housing issues in advertising
2. Use of technology
  - a) Requirements for confidential information
  - b) Do-Not-Call List

### D. Licensee and responsibilities (2)

1. Employee
2. Independent Contractor
3. Due diligence for real estate transactions

### E. Antitrust laws (1)

1. Antitrust laws and purpose
2. Antitrust violations in real estate

## XI. Real estate calculations (*Application/Analysis 10*)

### A. Basic math concepts (3)

1. Loan-to-value ratios
2. Discount points
3. Equity
4. Down payment/amount to be financed

### B. Calculations for transactions (7)

1. Property tax calculations
2. Prorations
3. Commission and commission splits
4. Seller's proceeds of sale
5. Buyer funds needed at closing
6. Transfer fee/conveyance tax/revenue stamps
7. PITI (Principal, Interest, Taxes and Insurance) payments

In addition, all items will be classified according to the cognitive level that is expected to be required for the entry-level candidate to appropriately respond to the item. The cognitive level classifications are defined in the following table.

Level	Definition
<b>Recall/Recognition</b>	Requires only recognition of isolated information, such as specific facts, generalizations, concepts, principles, or procedures. The information generally does not vary relative to the situation.
<b>Application</b>	Requires interpretation, classification, or manipulation of limited concepts or data, in which the response or outcome is situationally dependent, but not overly complex.
<b>Analysis</b>	Requires integration or synthesis of a variety of concepts to solve a specific problem situation (for example, evaluating and rendering judgments on complex problems with many situational variables).

## ■ Illinois State Examination Outline

The content outline for the state portions of the examinations has been approved by the Illinois Department of Financial and Professional Regulation. This portion tests knowledge areas that are required specifically for the Illinois real estate professional.

1. Licensing Requirements
  - A. License exemptions
  - B. Activities requiring a license
  - C. Types of licenses
    1. Broker
    2. Managing Broker
    3. Leasing Agent
  - D. Personal assistants
  - E. Eligibility for licensing, including sponsor card
  - F. Examination
  - G. License renewal
  - H. Continuing education
  - I. Change in licensee information
  - J. Reciprocity
  - K. Real Estate Recovery Fund
2. Laws and Rules Regulating Real Estate Practice
  - A. Purpose of license law
  - B. Advertising (other than disclosure)
  - C. Broker/broker relationship
  - D. Commissions
    1. Finder's fee/referral fee
    2. Rental finding services
  - E. Ownership issues
    1. Land trust
    2. Homestead
  - F. Handling of monies
    1. Special accounts
    2. Security deposits
  - G. Handling of documents
  - H. Performing activities exceeding scope of real estate licensing
    1. Law
    2. Securities
  - I. Transfer tax stamps/affordable housing
  - J. Intestacy
  - K. Legal description/Plat Act
  - L. Real estate taxes and exemptions
  - M. Illinois Human Rights Act
  - N. Interference with contracts or listings
3. Disclosures
  - A. Agency
    1. Designated agencies
      - a. Seller
      - b. Buyer
      - c. Dual
  - B. Advertising
  - C. Property disclosures
    1. Residential Real Property Disclosure Act
    2. AIDS (HIV)
    3. Stigmatized property
    4. Material defects
4. *Managing Broker Topics*
  - A. *Managing Broker responsibilities*
  - B. *Special accounts*
  - C. *Examination of records*
  - D. *Corporation/partnership/limited liability company licensure*
  - E. *Commercial Broker Lien Act*

## ■ Leasing Agent Content Outline

There are 50 questions in this examination that are used to compute your score. In addition to the questions used to compute your score, the examination may include five questions that are being “pretested” for use in future versions of these examinations. These pretest questions are not identified, and your answers to them do not affect your score.

1. Definitions and Laws Governing Contracts and Leases
  - A. General Definitions
    1. Real vs. Personal Property
    2. Leases and Rental Agreements
    3. Terms Related to Leasing and Contracts
  - B. Contract Law
  - C. Lease Agreements
    1. Essential Elements
    2. Statute of Frauds
    3. Common Provisions
    4. Applications, Credit Reports, and Background Checks
  - D. Handling of Monies and Documents
    1. Fiduciary Obligations
    2. Deposits and Accounts
    3. Recordkeeping Requirements
2. Laws Governing Fair Housing, Leasing, and Owner/Tenant Relationships
  - A. Civil Right Acts
  - B. Federal, State, and Local Fair Housing Acts
  - C. Discrimination Laws
  - D. Anti-Drug Laws
  - E. Government Assisted Housing Programs
  - F. Americans with Disabilities Act (ADA)
  - G. Owner/Tenant Relationships
    1. Occupancy Standards and Regulations
    2. Risk Management: Liabilities and Insurance
    3. Owner’s Obligations and Remedies
    4. Tenant’s Obligations and Remedies
    5. Renewals and Terminations
3. Real Estate License Act of 2000
  - A. Purpose, Authority, and Administration of the Act
  - B. Leasing Activities
  - C. Licensing, Education, and Examination Requirements
  - D. Issuance, Renewal, and Termination of License
    1. License Maintenance
    2. Continuing Education
    3. Change in License Information
  - E. License Conduct
    1. Agency Definitions and Requirements
    2. Advertising Requirements
    3. Misrepresentation
  - F. Disciplinary Provisions
    1. Violations
    2. License Refusal, Suspension, Revocation
    3. Fines, and Other Sanctions
  - G. Leasing Agent/Broker Relationships, including compensation

**REAL ESTATE REFERENCES**

The references provided below are some of the available relevant written study materials for the National Broker and Managing Broker Examinations. However, they are not necessarily recommended by PSI or the Illinois Department of Financial and Professional Regulation. Computer software is also available from several publishing companies, but it is not listed here.

- Armbrust, Betty J.; Bradley, Hugh H. and Armbrust, John W. Practical Real Estate Math. Thompson South-Western.
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- Cortesi, Gerald. Mastering Real Estate Principles. Chicago: Dearborn Real Estate Education.
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- Rice, Tim and Palmer, Ralph A. Illinois Real Estate Principles and Practices. Uppersaddle River, NJ: Prentice-Hall.
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- Sirota, David. Essentials of Real Estate Finance. Chicago: Dearborn Real Estate Education.
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- Tamper, Ralph. Mastering Real Estate Math. Chicago: Dearborn Real Estate Education.
- Ventolo, William L., Jr. and Williams, Martha R. Fundamentals of Real Estate Appraisal. Chicago: Dearborn Real Estate Education.
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