



REAL ESTATE

General Content Outlines

NEVADA

Real Estate State Content Outlines

General Exam Content Outline for Salespersons and Brokers

Effective: June 01, 2020

The general portion of the real estate exam is made up of eighty (80) scored items, which are distributed as noted in the following content outline. The general examination also contains five (5) pretest items that are not counted toward the score. These items are used to gather statistics on performance and to help assess appropriateness for use on future examinations. Because pretest items look exactly like items that are scored, candidates should answer all the items on the examination.

I. REAL PROPERTY CHARACTERISTICS, LEGAL DESCRIPTIONS, AND PROPERTY USE (SALES 9; BROKER 9)

A. Real property vs. personal property

1. Fixtures, trade fixtures, emblements
2. Attachment, severance, and bill of sale

B. Characteristics of real property

1. Economic characteristics
2. Physical characteristics

C. Legal descriptions

1. Methods used to describe real property
2. Survey

D. Public and private land use controls – encumbrances

1. Public controls – governmental powers
 - a. Police power, eminent domain, taxation, escheat
 - b. Zoning ordinances
2. Private controls, restrictions, and encroachments
 - a. Covenants, conditions, and restrictions (CC&Rs), HOAs
 - b. Easements
 - c. Licenses and encroachments

II. FORMS OF OWNERSHIP, TRANSFER, AND RECORDING OF TITLE (SALES 8; BROKER 8)

A. Ownership, estates, rights, and interests

1. Forms of ownership
2. Freehold estate
 - a. Fee simple absolute
 - b. Fee simple defeasible, determinable, and condition subsequent
 - c. Life estate
 - d. Bundle of rights
3. Leasehold estates and types of leases
 - a. Estate for years and from period to period (periodic estate)
 - b. Estate at will and estate at sufferance
 - c. Gross, net, and percentage leases
4. Liens and lien priority
5. Surface and sub-surface rights

B. Deed, title, transfer of title, and recording of title

1. Elements of a valid deed
2. Types of deeds
3. Title transfer
 - a. Voluntary alienation

- b. Involuntary alienation
4. Recording the title
 - a. Constructive and actual notice
 - b. Title abstract and chain of title
 - c. Marketable title and cloud on title
 - d. Attorney title opinion, quiet title lawsuit, and title insurance

III. PROPERTY VALUE AND APPRAISAL (SALES 11; BROKER 10)

A. Concept of value

1. Market value vs. market price
2. Characteristics of value
3. Principles of value

B. Appraisal process

1. Purpose and steps to an appraisal
2. Federal oversight of the appraisal process

C. Methods of estimating value and Broker Price Opinions (BPO)

1. Sales comparison approach (market data)
2. Cost approach
 - a. Improvements and depreciation
 - b. Physical deterioration, functional, and economic obsolescence
 - c. Reproduction or replacement costs
3. Income approach
4. Gross rent and gross income multipliers
5. Comparative Market Analysis (CMA)
6. Broker Price Opinion (BPO)
7. Assessed value and tax implications

IV. REAL ESTATE CONTRACTS AND AGENCY (SALES 16; BROKER 17)

A. Types of contracts

1. Express vs. implied
2. Unilateral vs. bilateral

B. Required elements of a valid contract

C. Contract performance

1. Executed vs. executory
2. Valid vs. void
3. Voidable vs. unenforceable
4. Breach of contract, rescission, and termination
5. Liquidated, punitive, or compensatory damages
6. Statute of Frauds

7. Time is of the essence

D. Sales contract

1. Offer and counteroffer
2. Earnest money and liquidated damages
3. Equitable title
4. Contingencies
5. Disputes and breach of contract
6. Option contract and installment sales contract

E. Types of agency and licensee-client relationships

F. Creation and termination of agency

G. Licensee obligations to parties of a transaction

V. REAL ESTATE PRACTICE (SALES 14; BROKER 13)

A. Responsibilities of broker

1. Practicing within scope of expertise
2. Unauthorized practice of law

B. Brokerage agreements between the broker and principal (seller, buyer, landlord, or tenant)

1. Seller representation – Types of listing agreements
 - a. Exclusive right-to-sell and exclusive agency listing
 - b. Non-exclusive or open listing
 - c. Net listing (conflict of interest)
 - d. Multiple listing service (MLS)
2. Buyer representation
3. Property management agreement
 - a. Accounting for funds
 - b. Property maintenance
 - c. Leasing property
 - d. Collecting rents and security deposits
4. Termination of agreements
5. Services, fees, and compensation

C. Fair Housing

1. Equal opportunity in housing
2. Protected classes
3. Fair housing laws
4. Illegal practices, enforcement, and penalties
5. Prohibited advertising
6. Housing and Urban Development (HUD)
7. Americans with Disabilities Act (ADA)

D. Risk management

1. Supervision
2. Compliance with federal regulations; including Privacy and Do Not Contact
3. Vicarious liability
4. Antitrust laws
5. Fraud and misrepresentation
6. Types of insurance
 - a. Errors and Omissions
 - b. General Liability

VI. PROPERTY DISCLOSURES AND ENVIRONMENTAL ISSUES (SALES 8; BROKER 8)

A. Property conditions and environmental issues

1. Hazardous substances
 - a. Lead-based paint
 - b. Asbestos, radon, and mold
 - c. Groundwater contamination and underground storage tanks
 - d. Waste disposal sites and brownfields
 - e. Flood plains, flood zones, and flood insurance
2. Clean Air and Water Acts
3. Environmental Protection Agency (EPA)
 - a. Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
 - b. Superfund Amendment and Reauthorization Act (SARA)
 - c. Environmental site assessments (including Phase I and II studies) and impact statements
 - d. Wetlands protection

B. Disclosure obligations and liability

VII. FINANCING AND SETTLEMENT (SALES 7; BROKER 7)

A. Financing concepts and components

1. Methods of financing
 - a. Mortgage financing – conventional and non-conventional loans
 - b. Seller financing – land contract/contract for deed
2. Lien theory vs. title theory and deed of trust
3. Sources of financing (primary and secondary mortgage markets, and seller financing)
4. Types of loans and loan programs
5. Mortgage clauses

B. Lender Requirements

1. FHA requirements
2. VA requirements
3. Buyer qualification and Loan to Value (LTV)
4. Hazard and flood insurance
5. Private mortgage insurance (PMI) and mortgage insurance premium (MIP)

C. Federal Financing Regulations and Regulatory Bodies

1. Truth-in-Lending and Regulation Z
2. TILA-RESPA Integrated Disclosures (TRID)
 - a. Consumer Financial Protection Bureau (CFPB)
 - b. Loan Estimate (LE)
 - c. Closing Disclosure (CD)
3. Real Estate Settlement Procedures Act (RESPA)
 - a. Referrals
 - b. Rebates
4. Equal Credit Opportunity Act (ECOA)
5. Mortgage fraud and predatory lending

D. Settlement and closing the transaction

VIII. REAL ESTATE MATH CALCULATIONS (SALES 7; BROKER 8)

A. Property area calculations

1. Square footage
2. Acreage total

B. Property valuation

1. Comparative Market Analysis (CMA)
2. Net Operating Income (NOI)
3. Capitalization rate
4. Gross rent multiplier- **Broker Only**
5. Gross income multiplier- **Broker Only**
6. Equity in property
7. Establishing a listing price
8. Assessed value and property taxes

C. Commission/compensation

D. Loan financing costs

1. Interest
2. Loan to Value (LTV)
3. Fees
4. Amortization, discount points, and prepayment penalties

E. Settlement and closing costs

1. Purchase price and down payment
2. Monthly mortgage calculations- principal, interest, taxes, and insurance (PITI)
3. Net to the seller
4. Cost to the buyer
5. Prorated items
6. Debits and credits
7. Transfer tax and recording fee

F. Investment

1. Return on investment
2. Appreciation
3. Depreciation
4. Tax implications on investment

G. Property management calculations

1. Property management and budget calculations
2. Tenancy and rental calculations

SALESPERSON SAMPLE QUESTIONS

1. A buyer's interest in real property, acquired at the moment the seller and the buyer enter into a sales contract, is known as:
 - a. legal title
 - b. equitable interest
 - c. fee simple determinable
 - d. an option to purchase
2. The appropriate time for a selling broker to explain the agency relationship to a prospective buyer is:
 - a. at their initial meeting
 - b. after the buyer has viewed a number of properties
 - c. when the buyer is prepared to sign a purchase agreement
 - d. at closing
3. A geographic region in which similar properties compete with the subject property for potential buyers is called a:
 - a. municipality
 - b. political district
 - c. market area
 - d. demand unit
4. The agency that is charged with enforcing the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) in the case of an owner who allows the dumping of wastes on a property is the:
 - a. Housing and Urban Development
 - b. Federal Emergency Management Agency
 - c. Environmental Protection Agency
 - d. Occupational Safety and Health Administration
5. A lot was purchased as an investment for \$10,500 and sold a year later at a loss of 20%. If the owner paid a 10% commission, what was the owner's net loss on the sale?
 - a. \$2,820
 - b. \$2,920
 - c. \$2,940
 - d. \$3,150

Salesperson Sample Answers

- 1) b
- 2) a
- 3) c
- 4) c
- 5) c

BROKER SAMPLE QUESTIONS

1. A buyer purchases a furnished condominium apartment as an investment. The document that evidences the buyer's ownership of the furniture is a:
 - a. special warranty deed
 - b. homeowner's insurance policy
 - c. bill of sale
 - d. buyer's inventory
2. A broker is asked to lease 1,200 square feet of warehouse space at \$6 per square foot per year. If the broker's commission will be 8 percent of the first year's rental income, the MAXIMUM amount payable is:
 - a. \$576
 - b. \$691
 - c. \$720
 - d. \$960
3. In the absence of a formal appraisal report, which of the following choices is the MOST appropriate for setting a listing price in a new, rapidly selling neighborhood?
 - a. The price that willing buyers have recently paid for similar structures
 - b. The cost of reproducing the structure plus the original lot value
 - c. The price that is an average of the cost of reproducing the structure and the recent sales prices
 - d. The price that is an average of the listed prices of the most recently sold similar properties
4. A broker lists a property. A potential buyer tells the broker that he has heard that the crime rate in the neighborhood is increasing. Which of the following is the broker's BEST response to the buyer?
 - a. The crime rate in the neighborhood is no higher than in any other area.
 - b. Check with local law enforcement authorities about the crime rate.
 - c. Any information about the crime rate must come directly from the sellers.
 - d. The crime rate is not a defective property condition and need not be disclosed.

Real Estate General/National Resources

- Mastering Real Estate Principles, Gerald R. Cortesi, 7th Edition, Dearborn
- Modern Real Estate Practice, Fillmore W. Galaty, Wellington J. Allaway, Robert C. Kyle, etc., 20th edition, Dearborn
- Principles of Real Estate Practice, Stephen Mettling, 6th Edition, Performance Programs Company
- Property Management, Robert C. Kyle, 10th Edition, Dearborn
- Real Estate Finance, J. Keith Baker and John P Wiedemer, 10th Edition, OnCourse Learning Publishing
- Real Estate Fundamentals, Wade E. Gaddy, 10th Edition Dearborn
- Real Estate Law, Charles J. Jacobus, 3rd Edition, OnCourse Learning Publishing
- Real Estate Law, Elliot Klayman, 10th Edition, Dearborn
- The Language of Real Estate, John W. Reilly, 8th Edition, Dearborn

Pearson VUE does not endorse any particular prelicensing provider or study materials.

Nevada Business Broker Content Outline

The state-specific examination is made up of fifty (50) scored items. The exam also contains five to ten (5-10) pretest items. The pretest items are not identified and will not affect a candidate's score in any way.

I. UNDERSTANDING AND RECASTING FINANCIAL STATEMENTS (18 ITEMS)

- A. Accounting Terminology and Concepts
- B. Understanding Key Financial Reports and Tax Returns
- C. How to Recast Financials
- D. Accrual vs. Cash Accounting
- E. Identifying Seller's Discretionary Income
- F. How to Identify Questionable Expenses
- G. Distinctions Between Compiled/ Reviewed/Audited Financials

II. BUSINESS VALUATION: DETERMINATION OF MOST PROBABLE SELLING PRICE (9 ITEMS)

- A. Stock Sales vs. Asset Sales: Distinctions and Implications
- B. Describing and Establishing Value of Assets
- C. Determining Owner's Role in Business and Implications for Value
- D. Identifying Potential Add-Backs, Deductions
- E. Factors to Consider in Determining Appropriate Income Multiplier
- F. Factors in Valuing Inventory
- G. Application of Recast in Valuation
- H. Comparative Market Data
- I. Other Valuation Techniques or Issues

III. STRUCTURING LISTING AND PURCHASE OFFER AGREEMENTS (9 ITEMS)

- A. Elements of a Business Listing Contract
- B. Information to be Collected from Seller
- C. Business Terminology
- D. Key Elements of the Business Description
- E. Necessity of Confidentiality Agreement
- F. Standards for Prescreening Buyers
- G. Elements Required in Transaction Timeline
- H. Distinction Between Letter of Intent and Offer
- I. Elements of a Business Offer to Purchase
- J. Features that Protect Buyer (Earn-Outs, Holdbacks, etc.)
- K. Lease Review and Related Issues
- L. Including Real Property Interests in a Business Sale
- M. Seller Financing
- N. Miscellaneous Transaction Issues

IV. ADDITIONAL TERMS/CONDITIONS IN BUSINESS ACQUISITION TRANSACTIONS (8 ITEMS)

- A. Possible Contingencies to be Considered for Inclusion in Contract
- B. Considerations in Sale of a Franchise
- C. Contents of Seller's Voluntary Disclosure
- D. Closing Documents
- E. Adjustments at Close of Escrow
- F. Other Contingency Issues
- G. Removal of Contingencies

V. ETHICAL ISSUES SPECIFIC TO BUSINESS BROKERAGE (2 ITEMS)

VI. NEVADA LAWS AND REGULATIONS (4 ITEMS)

- A. Licensed Activities Requiring a Permit
- B. Broker Supervision of Permit Holder
- C. Renewal Requirements
- D. Application of General Real Estate Regulation to Business Brokerage
- E. Business Advertising Considerations
- F. Other Regulatory Issues

Nevada Community Association Manager Content Outline

Effective March 15, 2018

The state-specific examination is made up of seventy-five (75) scored items. The exam also contains five to ten (5-10) pretest items. The pretest items are not identified and will not affect a candidate's score in any way.

I. TERMINOLOGY AND DEFINITIONS (4 QUESTIONS)

- A. Types of Common-Interest Communities**
- B. Community Managers vs Property Manager**
- C. Community Management**
- D. Units, unit owners, and common elements**

II. GOVERNING DOCUMENTS OF COMMON-INTEREST COMMUNITIES (5 QUESTIONS)

- A. Articles of Incorporation**
- B. Declarations (CC&Rs)**
- C. Bylaws**
- D. Plat or Final Map**
- E. Rules, Resolutions, Policies, Design Guidelines**
- F. Amendments to the governing documents**

III. GOVERNANCE OF COMMON-INTEREST COMMUNITIES (7 QUESTIONS)

- A. Recordkeeping Requirements and document requests**
- B. Roles and Responsibilities of Association Members, Officers, Directors**
- C. Role and Responsibilities of Community Manager**
- D. Community Management Contract**
- E. Required notification to unit owners**

IV. MEETINGS AND ELECTIONS (9 QUESTIONS)

- A. Rules for Unit Owners' Meetings**
- B. Rules for Board Meetings and Executive Sessions**
- C. Rules for Elections and Removal Elections**
- D. Rules for Committees**

V. REGULATORY AUTHORITIES AND SCOPE OF OVERSIGHT (10 QUESTIONS)

- A. Federal Laws**
 - 1. Fair Housing, HUD, and ADA
 - 2. Fair Debt Collections
 - 3. FCC (OTARD)
- B. State Laws**
 - 1. Nevada Fair Housing
 - 2. NAC 116 and 116A
 - 3. NRS 116 and 116A
 - 4. Required Disclosures in Certificate of Resale and Escrow Demands
 - 5. Other State Laws; (NRS 82 (Corporate Law, NRS 118A (Landlord-Tenant Law), etc.

VI. REGULATORY AUTHORITY (4 QUESTIONS)

- A. Administration and Enforcement**
 - 1. Powers and Duties of Real Estate Division
 - 2. Powers and Duties of the Ombudsman's Office
 - 3. Powers and Duties of Commission for CICs
- B. Reporting Requirements**
 - 1. Notification to the Secretary of State

- 2. Notification to the Division
- 3. Notification to the Ombudsman's Office

C. Dispute Resolution

- 1. ADR (Mediation and Referee Program)
- 2. Informal Conferencing Program

VII. DEVELOPER CONTROL AND TRANSITION (3 QUESTIONS)

- A. Time frames of transition**
- B. Public Offering Statement**
- C. Transfer Documents at transition**
- D. Annexation agreements**

VIII. FINANCIAL MANAGEMENT (10 QUESTIONS)

- A. Budget Preparation and Process**
- B. Basic Accrual Accounting**
- C. Requirements for Financial Statements and Reports**
- D. Taxes and Audits**
- E. Assessments and Collection Procedures**
- F. Surplus funds**

IX. RESERVES (5 QUESTIONS)

- A. Reserve study requirements**
- B. Reserve study review and funding plans**
- C. Required reserve fund management**
- D. Reserve special assessment**

X. FACILITIES MANAGEMENT (3 QUESTIONS)

- A. Key Features of RFPs and Bid Process**
- B. Basic Components of Contracts**
- C. Management of Maintenance and Repairs**
- D. Environmental and Energy Issues**

XI. RISK MANAGEMENT (5 QUESTIONS)

- A. Types of Insurance and Required Coverage**
- B. Insurance Claims**
- C. Risk Awareness and Risk Mitigation**
- D. Recognition of Possible Construction Defects**

XII. ASSOCIATION POWERS OF ENFORCEMENT (5 QUESTIONS)

- A. Compliance Policy and Procedures**
- B. Hearings and Sanctions**
- C. Construction Penalties**
- D. Maintenance and Abatement**
- E. Health and Safety Violations**

XIII. BUSINESS ETHICS (5 QUESTIONS)

- A. Conflicts of Interest and Required Disclosures for Board Members**
- B. Conflicts of Interest for Community Managers**
- C. Running for Board**
- D. Prohibited Acts**
- E. Management company transition and Records Turnover**

National Home Inspector Content Outline

for the Inspector of Structures Examination

Content Outline effective January 1, 2019

This content outline based on the role delineation study, is intended to provide candidates with topics for study that may appear on the National Home Inspector Examination. The percentage of questions on the examination for each content area is indicated below. The contents of this document are neither a complete listing of all topics covered by the examination nor all skills necessary to perform a competent inspection.

DOMAIN 1: PROPERTY AND BUILDING INSPECTION/SITE REVIEW (63%)

Task 1: Identify and inspect **site conditions** to assess defects and issues that may affect people or the performance of the building. (5%)

a. Vegetation, Grade, Drainage, and Retaining Walls

- i. Common types, materials, and terminology
- ii. Applicable standards, installation methods, and clearance
- iii. Typical defects (e.g., negative grade, earth to wood contact, overgrown vegetation, missing drainage/drains)
- iv. Common safety issues

b. Driveways, Patios, and Walkways

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., root damage, large cracks, improper slope)
- iv. Common safety issues
(e.g., trip hazards, slippery surface)

c. Pool and Spa Access Barriers

- i. Applicable safety standards and terminology
- ii. Common safety issues

Task 2: Identify and inspect **building exterior components** to assess defects and issues that may affect people or the performance of the building. (5%)

a. Wall Cladding, Flashing, Trim, Eaves, Soffits, and Fascia

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., water infiltration, decay)

b. Exterior Doors and Windows

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., decayed wood, missing flashings, cracked glass)
- iv. Common safety issues (e.g., safety glazing, sash support)

c. Decks, Balconies, Stoops, Stairs, Steps, Porches, and Applicable Railings

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., improper deck ledger attachment, improper rail or stair construction, missing flashing)
- iv. Common safety issues (e.g., loose handrails and guards, handrails not graspable, uneven riser height)

d. Garage Vehicle Doors and Operators

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., damaged rollers, broken springs)
- iv. Common safety issues (e.g., missing/failing/malfunctioning safety sensors, improper adjustment of pressure reverse)

Task 3: Identify and inspect **roof components** to assess defects and issues that may affect people or the performance of the building. (6%)

a. Roof Coverings

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical repair methods and materials
- iv. Typical defects (e.g., improper installation, cracking, damage, decay)
- v. Characteristics of different roofing materials
- vi. Sheathing and underlayment requirements for different types of roof coverings

b. Roof Drainage Systems

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., ponding, improper slopes, clogging/leaking)

c. Roof Flashings

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., separation, improper installation, missing flashing)

d. Skylights and Other Roof Penetrations

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., leakage, improper installation, deteriorated boot)

Task 4: Identify and inspect **structural components** to assess defects and issues that may affect people or the performance of the building. (4%)

a. Foundation

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., cracks, settlement) and their common causes and effects
- v. Soil types and conditions and how they affect foundations
- vi. Applied forces and how they affect foundation systems (e.g., wind, seismic, loads)
- vii. Water management (e.g., waterproofing, foundation drains)

b. Floor Structure

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., improper cuts and notches in structural members, decayed or damaged structural members)
- v. Applied forces and how they affect floor systems (e.g., wind, seismic, loads)

c. Walls and Vertical Support Structures

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., decayed or damaged structural members, earth to wood contact, structural deformation)
- v. Seismic and wind-resistant construction methods and hardware

d. Roof and Ceiling Structures

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., moisture stains, sagging rafters, modified/damaged trusses)
- v. Applied forces and how they affect roof/ceiling structures (e.g., wind, seismic, loads)

Task 5: Identify and inspect **electrical systems** to assess defects and issues that may affect people or the performance of the building. (6%)

a. Electrical Service: Service Lateral, Service Drop, Service Entrance, Service Equipment, and Service Grounding

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., height, deteriorated conductor sheathing)
- v. Electrical service amperage
- vi. Service grounding and bonding
- vii. Common safety issues (e.g., exposed conductors, improper cover fasteners, missing dead front cover)

b. Interior Components of Service Panels and Subpanels

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., double-tapping, over-fusing)
- v. Panel grounding and bonding
- vi. Panel wiring
- vii. Theory of operation and purpose of over-current protection devices (e.g., circuit breakers and fuses, GFCI, AFCI)
- viii. Inspection safety procedures
- ix. Known problem electrical panel boards (e.g., Federal Pacific/Stab-Lok)
- x. Common safety issues (e.g. open knock outs, discoloration at conductor connections, multiple neutrals under one screw)

c. Wiring Methods

- i. Common types (e.g., non-metallic sheathed cable, conduit), materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., improper use of or lack of junction boxes, unprotected non-metallic sheathed cable, lack of proper support)
- v. Concerns and considerations about solid-conductor aluminum wiring
- vi. Obsolete electrical wiring system (e.g., knob and tube wiring, cloth-covered NM cable)
- vii. Common safety issues (e.g., open splices, no cable clamps at penetrations, exposed conductors)

d. Devices, Equipment, and Fixtures (e.g., switches, receptacles, lights, fans)

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modifications, repairs, upgrades, and retrofit methods and materials
- iv. Typical defects (e.g., reverse polarity, open equipment grounds, non-functional GFCI or AFCI protection)
- v. Equipment grounding
- vi. Wiring, operation, and location of typical devices and equipment (e.g., receptacles and lights, appliances, ground fault circuit interrupter protection, arc fault circuit interrupter protection)
- vii. Common safety issues (e.g., absence of GFCI)

e. Alternative Energy Systems

- i. Common types, materials, and terminology (e.g., solar, wind)
- ii. Applicable standards and installation methods
- iii. Disconnect location
- iv. Common safety issues (e.g., improper connection to other systems, lack of disconnect method)

Task 6: Identify and inspect **cooling systems** to assess defects and issues that may affect people or the performance of the building. (4%)

a. Cooling

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., suction line insulation missing, condensation and/or rust on components, restriction of air flow at the condensing unit)
- iv. Theory of refrigerant cycle (e.g., latent and sensible heat, air conditioning, heat pumps)
- v. Testing methods
- vi. Condensate control and disposal
- vii. Alternative energies

b. Distribution Systems

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., damaged or disconnected ducts, incorrect installation)

Task 7: Identify and inspect **heating systems** to assess defects and issues that may affect people or the performance of the building. (5%)

a. Heating

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., dirty fan, misfiring oil burner)
- iv. Theory of heating system operation
- v. Testing methods

- vi. Condensate control and disposal
- vii. By-products of combustion (e.g., H₂O, CO₂, CO, NO₂), their generation, and how and when they become a safety hazard
- viii. Common safety issues
- ix. Alternative energies

b. Distribution Systems

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., damaged or disconnected ducts; clogged, missing or damaged filters; leaking pipes)

c. Vent Systems

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., separated vent, back drafting, clearance to combustible materials)
- iv. Theory of vent system operation
- v. Common safety issues

Task 8: Identify and inspect **insulation, moisture management systems, and ventilation systems in conditioned and unconditioned spaces** to assess defects and issues that may affect people or the performance of the building. (4%)

a. Thermal Insulation

- i. Common types, materials, and
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., missing, uneven, or damaged insulation, flame spread concerns, improper clearances)
- iv. Theory of heat transfer and energy conservation
- v. Recommended insulation levels (e.g., R-value)
- vi. Common safety issues (e.g., fire hazards)

b. Moisture Management

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., improper vapor retarder installation)
- iv. Theory of moisture generation, relative humidity, and moisture movement in buildings
- v. Effects of moisture on building components, occupants, and indoor air quality
- vi. Moisture control systems (e.g., humidifiers/dehumidifiers, vapor retarders)

c. Ventilation Systems of Attics, Crawl Spaces, and Roof Assemblies

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects
- iv. Theory of air movement in building assemblies (e.g., stack effect, pressure differences)
- v. Closed attics and crawl spaces

- vi. Screening, sizing, and location requirements for ventilation openings

Task 9: Identify and inspect **mechanical exhaust systems** to assess defects and issues that may affect people or the performance of the building. (5%)

a. Mechanical Exhaust Systems (e.g., bath, kitchen, dryer)

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modification, repair, upgrade, and retrofit methods and materials
- iv. Typical defects (e.g., improper termination, plastic dryer ducts)
- v. Relationship between mechanical systems and ventilation systems
- vi. Common safety issues (e.g., fire hazards)

b. Indoor Air Management Systems (e.g., heat recovery ventilators)

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modification, repair, upgrade, and retrofit methods and materials
- iv. Typical defects (e.g., inoperative, no bypass ducting)

Task 10: Identify and inspect **plumbing systems** to assess defects and issues that may affect people or the performance of the building. (5%)

a. Water Supply Distribution System

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modification, repair, upgrade, and retrofit methods and materials
- iv. Typical defects (e.g., cross-connection, back flow, dissimilar metals)
- v. Common water pressure/functional flow problems and how they affect the water distribution system (e.g., hard water build-up, old galvanized piping, pressure reducer valves)

b. Fixtures and Faucets

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical modification, repair, upgrade, and retrofit methods and materials
- iv. Typical defects (e.g., leaks, fixture attachment)
- v. Common safety issues (e.g., absence of anti-scald valve, hot/cold reverse)

c. Drain, Waste, and Vent Systems

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods (e.g., supports/spacing)

- iii. Typical modification, repair, upgrade, and retrofit methods and materials (e.g., joining dissimilar piping materials)
- iv. Theory and usage of traps and vents
- v. Identification of public or private disposal (when possible)
- vi. Typical defects (e.g., flex pipe, deterioration, leakage, venting or drain slope)

d. Water Heating Systems

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods (e.g., storage tank, tankless)
- iii. Typical defects (e.g., vent/flue issues, fuel connection and temperature pressure relief system defects)
- iv. Accessory items (e.g., seismic restraints, expansion tanks, recirculation systems)
- v. Connections to and controls for energy source
- vi. Combustion air requirements
- vii. Common safety issues (e.g., no temperature pressure relief valve, missing or improperly connected vents)

e. Fuel Storage and Fuel Distribution Systems

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., missing piping supports, missing shut-off, leaking storage tank)
- iv. Common safety issues

f. Drainage Systems, Sump Pumps, Sewage Ejection Pumps, Related Valves and Piping

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., inoperative sump pump, improperly installed system, broken lid)
- iv. Pump and discharge locations

Task 11: Identify and inspect **interior components** to assess defects and issues that may affect people or the performance of the building. (4%)

a. Walls, Ceiling, Floors, Doors, and Windows, and Other Interior System Components

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects in interior surfaces caused by defects in other systems (e.g., structural movement, moisture stains)
- iv. Typical defects in interior surfaces NOT caused by other systems (e.g., defective operation of doors and windows, damage, absence of safety glazing)
- v. Egress requirements (e.g., window security bar release, basement windows, sill height)
- vi. Applicable fire/safety and occupancy separation requirements (e.g., fire walls, fire rated doors, and penetrations)

- vii. Smoke alarms and carbon monoxide alarms

b. Steps, Stairways, Landings, and Railings

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., improper riser height and tread depth, baluster spacing, loose guards)
- iv. Common safety issues (e.g., loose treads, missing handrails)

c. Installed Countertops and Cabinets

- i. Common types, materials, and terminology
- ii. Applicable standards and installation methods
- iii. Typical defects (e.g., damaged components)
- iv. Common safety issues (e.g., improperly secured cabinets and countertops)

d. Smart Homes

- i. Emerging smart home technologies, applications, terminology and operation

Task 12: Identify and inspect **fireplaces, fuel-burning appliances, and their chimney and vent systems** to assess defects and issues that may affect people or the performance of the building. (6%)

- i. Common manufactured solid-fuel burning fireplaces and solid
- ii. Common manufactured solid-fuel chimney, vent connector, and vent types, materials and terminology
- iii. Common masonry fireplace types, masonry flues, materials, applications, terminology, and installation methods
- iv. Chimney foundation, height, clearance requirements and terminations (e.g., spark arrestors, chimney cap, clearances to combustible materials)
- v. Common gas and liquid-fuel burning appliance types (e.g., vented, direct vent, unvented), vent connector and vent types, materials, and terminology
- vi. Applicable standards and installation methods
- vii. Fuel types, combustion characteristics, and combustion air requirements
- viii. Typical defects (e.g., hearth defects, clearance requirements, smoke chamber and flue issues)
- ix. Operation of equipment, components, and accessories
- x. Common safety issues

Task 13: Identify and inspect common **permanently installed kitchen appliances** for proper condition and operation. (4%)

- i. Applicable standards, installation methods, and terminology
- ii. Basic operation using normal controls
- iii. Typical defects (e.g., inoperative burner, drain loop on dishwasher missing)
- iv. Common safety issues (e.g., absent anti-tip bracket)

DOMAIN 2: ANALYSIS OF FINDINGS AND REPORTING (25%)

Task 1: Inform the client what was inspected and describe building systems and components by their distinguishing characteristics (e.g., purpose, type, size, location). (6%)

- i. Minimum information required
- ii. Describing the type of systems and the location of system components

Task 2: Describe inspection methods and limitations in the inspection report to inform the client what was not inspected and why. (4%)

- i. Minimum and critical information required in an inspection report (e.g., environmental factors, inspection safety limitations, inaccessible areas or components)
- ii. Common methods used to inspect particular components (e.g., walk on roof, observe attic or crawl space from hatch)
- iii. Common and emerging test instruments and their proper use for qualitative analysis (e.g., moisture meters, carbon monoxide meters, infrared cameras)

Task 3: Describe systems and components inspected that are not functioning properly or are defective. (5%)

- i. Expected service life of building and mechanical components
- ii. Common indicators of potential failure (e.g., rust and corrosion, excessive or unusual noise/ vibration, lack of routine maintenance)
- iii. Common defects and their descriptions
- iv. Common safety issues

Task 4: Describe systems and components in need of further evaluation or action. (5%)

- i. Correct professional or tradesperson required to effect repairs or perform further evaluations
- ii. Relationships between components in the building
- iii. When to immediately inform building occupants of a life-threatening safety hazard (e.g., gas leak, carbon monoxide accumulation, exposed energized wires)

Task 5: Describe the implication of defects so that the client understands what could occur if the defects are not corrected. (5%)

- i. Association of related defects or areas where systems interact (e.g., water damaged ceiling with damaged plumbing vent collar above)
- ii. Common defects and their implications

DOMAIN 3: PROFESSIONAL RESPONSIBILITIES (12%)

Task 1: Discuss the elements of and obtain a written inspection contract (e.g., scope, limitations, terms of services) with the client or client's representative to establish the rights and responsibilities of the inspector and client. (7%)

- i. Purpose of a contract
- ii. Elements of a contract (e.g., exclusions and limitations, limits of liability, dispute resolution, jurisdictional requirements)
- iii. Timing of delivery and signing of contract

Task 2: Maintain quality, integrity, and objectivity of the inspection process. (5%)

- i. Fundamental legal concepts (e.g., fiduciary and contractual responsibility, negligence, applicable governing regulations)
- ii. Conflicts of interest (e.g., inspector interest in the property, third-party stakeholders with financial interest in the outcome of the inspection)
- iii. Types and purpose of financial protection (e.g., general liability, professional errors and omissions, warranties)
- iv. Protection of the client's interest

Nevada Property Management Permit

Effective: February 21, 2020

The state-specific examination is made up of fifty (50) scored items. The exam also contains five to ten (5-10) pretest items. The pretest items are not identified and will not affect a candidate's score in any way.

I. CONTRACTS (MANAGEMENT AND RENTAL AGREEMENTS) (15%)

- A. Essential Elements of Property Management Agreements**
- B. Residential Rental Applications/ Tenant Screening/ FCRA**
- C. Residential Leases of Real Property**
 - 1. Types of Residential Leases
 - 2. Mandatory Residential Rental Agreement Provisions (NRS118A)
 - 3. Lease clauses
- D. Breaches and Remedies; Eviction**

II. RECORDKEEPING, ACCOUNTING AND TRUST ACCOUNT MANAGEMENT (10%)

- A. Requirements for Trust Accounts**
- B. Separate Account Required for Security Deposits**
- C. Record-keeping Requirements and inspection by the Division of Real Estate**
- D. Reporting Requirements**
- E. Handling of Trust Funds**
- F. Commingling/Conversion**
- G. Basic Accounting**

III. NEVADA LAWS RELATING TO PROPERTY MANAGEMENT (5%)

- A. Permit Requirements**
 - 1. Activities requiring a permit
 - 2. Who needs a permit
 - 3. Renewal Requirements
- B. Authority/Responsibilities of Property Managers**
- C. Non-broker Licensee's Compensation**

IV. MANDATORY DISCLOSURES (5%)

- A. Agency Relationships**
- B. Material Facts**
- C. Environmental Factors**
- D. Conflicts of interest**
- E. Stigmatized Properties**

V. FAIR HOUSING (7%)

- A. Protected classes under Nevada and Federal Fair Housing Laws**
- B. Americans with Disabilities Act**
 - 1. Accommodation and Modification
 - 2. Design and Construction Requirements

VI. ADVERTISING RULES RELATING TO FAIR HOUSING (3%)

VII. LANDLORD-TENANT LAW (NRS 118A) (25%)

- A. Tenant Obligations and Rights**
- B. Landlord Obligations and Rights**
- C. Definition of "Habitable" and "Essential Services"**
- D. Security Deposits; Cleaning Fees**
- E. Extraordinary Circumstances**
 - 1. Domestic Violence
 - 2. Foreclosures

VIII. BROKER'S FIDUCIARY DUTIES AND AGENCY RELATIONSHIPS (5%)

- A. Accountability**
- B. Client's best interest**

IX. RISK MANAGEMENT (20%)

- A. Maintenance**
- B. Tenant health, safety, and welfare**
- C. Insurance**
- D. Fair Debt Collection Practices**

X. PRINCIPLES OF COMMERCIAL PROPERTY MANAGEMENT (5%)

- A. Types of commercial Leases and trade fixtures**
- B. Budgets and revenue**
 - 1. Operating
 - 2. Forecasting
 - 3. Reserves
 - 4. Net Operating Income (NOI)
- C. Tenant Improvements; Notice of Non-Responsibility**
- D. Pass-throughs**
- E. Escalation Clauses**

PROPERTY MANAGER SAMPLE QUESTIONS

1. **In order for a tenant to claim relief for constructive eviction:**
 - a. the landlord must have intentionally withheld required repairs or maintenance
 - b. any defects must be deemed to present a health hazard to the tenants
 - c. the tenant must prove continuous residence in the premises
 - d. the defect must be related to either heating or water systems
2. **A broker is asked to lease 1,200 square feet of warehouse space at \$6 per square foot per year. If the broker's commission will be 8 percent of the first year's rental income, the MAXIMUM amount payable is:**
 - a. \$576
 - b. \$691
 - c. \$720
 - d. \$960
3. **Under a lease for a commercial property, a tenant agrees to pay \$4,000 per month plus 3% of the gross monthly sales. This type of lease is called a:**
 - a. net
 - b. triple net
 - c. percentage
 - d. ground

4. **In order for a property manager to determine net operating income on a property, which of the following fees is subtracted from the effective gross income?**
 - a. Debt service
 - b. Advances to owners
 - c. Operating expenses
 - d. Reserve for replacements
5. **The formula to determine Net Operating Income (NOI) is:**
 - a. Gross Potential Income (GPI) minus operating expenses
 - b. Net Rent Revenue minus Gross Potential Income (GPI)
 - c. Operating expenses minus Effective Gross Income (EGI)
 - d. Effective Gross Income (EGI) minus operating expenses

Property Manager Sample Answers:

- 1) a
- 2) a
- 3) c
- 4) c
- 5) d

Nevada Salesperson and Broker Content Outline

Effective: February 21, 2020

The state-specific examination is made up of forty (40) scored items for salesperson candidates and fifty (50) scored items for broker candidates. The salesperson and broker examinations also contain five to ten (5-10) pretest items. The pretest items are not identified and will not affect a candidate's score in any way. The following examination content outline is applicable to both real estate salespersons and real estate brokers.

I. DUTIES AND POWERS OF THE COMMISSION (SALES 5%, BROKER 5%)

A. Determining Misconduct

1. Investigations
2. Hearings and Appeals

B. Enforcement and Disciplinary Action

1. Sanctions and Fines
2. Additional Education
3. License Suspension
4. Revocation

C. Real Estate Education, Research, and Recovery Fund

II. LICENSING REQUIREMENTS (SALES 5%, BROKER 5%)

A. Types of Licensing and Permits and Requirements

B. License Maintenance

1. License Renewal
2. Changes in License Status
3. Reasons for Denial of a License or Renewal

C. Required Timely Notifications to the Division

1. Conviction or entry of a guilty/nolo contendere plea
2. Broker association
3. Changes in personal information

D. Branch Offices and License Display (Broker Only)

E. Cooperative Certificates (Broker Only)

III. AGENCY (SALES 20%, BROKER 20%)

A. Agency

B. Duties Owed by a Nevada Licensee

1. Consent to Act
2. Confirmation of Agency Relationship

C. Authorization to Negotiate Directly with the seller

1. Waiver to present all offers

IV. LICENSE PRACTICE (SALES 20%, BROKER 20%)

A. Licensee Responsibilities

B. Activities Requiring a License or Permit

C. Broker Supervision of Licensees

D. Commissions and other Compensation

E. Advertising, electronic and print

F. Rules for Broker Price Opinions

G. Handling of Monies

V. DISCLOSURES (SALES 20%, BROKER 20%)

A. Residential Disclosure Guide

B. Seller's Real Property Disclosure

C. Disclosure of Common-Interest Communities

D. Disclosure of licensee as principal

E. Other disclosures

VI. CONTRACTS (SALES 20%, BROKER 20%)

A. Brokerage Agreements, including listing and buyer representation

B. Preparation and Handling of Documents

C. Settlement Statements

D. Advance Fees

E. Handling of Earnest Money Deposits

F. Timelines

VII. RECORD KEEPING (SALES 5%, BROKER 5%)

A. Maintenance of Records

1. Timely submission of records to broker
2. Required retention
3. Protection of confidential information

B. Inspection of Records (Broker Only)

C. Trust Account Records and Management (Broker Only)

VIII. SPECIAL TOPICS (SALES 5%, BROKER 5%)

A. Subdivisions

B. Timeshares

C. Environmental Issues

D. Water Rights

E. Solar

Nevada Timeshare Sales Agent

Effective October 04, 2019

The state-specific examination is made up of fifty (50) scored items. The exam also contains five to ten (5-10) pretest items. The pretest items are not identified and will not affect a candidate's score in any way.

I. LICENSING AND REGISTRATION, AND LICENSEE PRACTICE (8 ITEMS)

- A. Types of Licensing and Permits and Requirements**
- B. Activities Requiring a License or Permit**
- C. License Maintenance**
 - 1. License Renewal
 - 2. Changes in License Status
 - 3. Reasons for Denial of a License or Renewal
- D. Required Timely Notifications to the Division**
 - 1. Conviction or entry of a guilty/nolo contendere plea
 - 2. Changes in personal information

II. DEFINITIONS AND TERMINOLOGY (12 ITEMS)

III. REQUIRED DISCLOSURES (7 ITEMS)

- A. Public offering statements**
- B. Operating Budgets and assessments**
- C. Declarations (CC&Rs)**
- D. Disclosure of interest**

IV. TIMESHARE PURCHASE AND SALE AND AGREEMENTS (2 ITEMS)

V. FAIR HOUSING LAWS (2 ITEMS)

- A. Federal Fair Housing Laws**
- B. Nevada Fair Housing Laws**
- C. Americans with Disabilities Act**

VI. HANDLING DEPOSITS AND OTHER TRUST MONIES (2 ITEMS)

VII. OWNERSHIP INTERESTS IN TIMESHARES (8 ITEMS)

- A. Freehold interest**
- B. Leasehold interest**
- C. Exchange agreement**
- D. Management agreement**
- E. Timeshare owner's association**

VIII. FINANCING (2 ITEMS)

IX. ADVERTISING, MARKETING, AND PROMOTIONAL MEETINGS (7 ITEMS)