



Arkansas Real Estate Candidate Handbook

June 2024

QUICK REFERENCE

STATE LICENSING INFORMATION

Candidates may contact the Arkansas Real Estate Commission with questions about obtaining or maintaining a license after the examination has been passed.

Arkansas Real Estate Commission

*Arkansas Department
of Labor and Licensing*

612 South Summit Street
Little Rock, AR 72201-4740

Email

arec.application@arkansas.gov

Website

www.arec.arkansas.gov

EXAMINATION INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or about an upcoming examination.

Pearson VUE Arkansas Real Estate

Attn: Regulatory Program
5601 Green Valley Dr.
Bloomington, MN 55437

Phone

(800) 274-2606

Email

pearsonvuecustomerservice@pearson.com

Website

www.pearsonvue.com

RESERVATIONS

Before making an exam reservation

Candidates must have an approved application and authorization to test with the Arkansas Real Estate Commission before attempting to register for an exam.

Making an exam reservation

Candidates who receive their authorization for a specific exam may make a reservation by either visiting www.pearsonvue.com or calling Pearson VUE.

Candidates should make a reservation online at least twenty-four (24) hours before the desired examination date. **Walk-in examinations are not available.**

SCHEDULES & FEES

Test centers

A list of test centers appears on the back cover of this handbook. Candidates should contact Pearson VUE to confirm specific locations and schedules.

Exam fees

The examination fee (\$75) must be paid at the time of reservation by credit card, debit card, or voucher.

Please note: If you schedule the two Salesperson exam components at the same time, the cost will be \$75. If you elect to reserve the exam components separately, the charge will be \$75 per component.

Payment will not be accepted at the test center. Examination fees are non-refundable and nontransferable.

EXAM DAY

What to bring to the exam

Candidates should bring to the examination proper identification and other materials as dictated by the state licensing agency. A complete list appears in **What to Bring** (page 6).

Exam procedures

Candidates should report to the test center at least thirty (30) minutes before the examination begins. Each candidate will have two to four (2-4) hours to complete the examination and will leave the test center with an official score report in hand and instructions for next steps and how to obtain additional score reports through their profile on Pearson VUE at www.pearsonvue.com/ar/realestate.

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OVERVIEW

The candidate handbook is a useful tool in preparing for an examination.

It is highly recommended that the Arkansas Real Estate Candidate Handbook be reviewed, with special attention given to the content outlines, before taking the examination.

Individuals who wish to obtain a real estate license in the state of Arkansas must:

1. Apply for a license.

Before taking an examination, apply for your license to receive an Authorization to Test from the Arkansas Real Estate Commission and electronically through PearsonVUE. See page 2 for details. The Authorization to Test notification will contain information about how to complete your profile in Pearson VUE.

2. Make a reservation and pay examination fee.

Make a reservation (by phone or online) with Pearson VUE for the examination www.pearsonvue.com/ar/realestate. (See page 4.)

3. Go to the test center.

Go to the test center on the day of the examination, bringing along all required materials. (See page 6.)

INTRODUCTION

CONTACT INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or an examination.

Pearson VUE/Arkansas Real Estate
5601 Green Valley Dr., Bloomington, MN 55437

Phone: (800) 274-2606

Website: www.pearsonvue.com

Email: pearsonvuecustomerservice@pearson.com

Live Chat is available to address your support inquiries and is the quickest way to reach a customer service agent. It's available from 8:00 AM through 5:00 PM Central Time, Monday through Friday, subject to change during locally-designated holidays.

Please visit www.pearsonvue.com/ar/realestate/contact for further information.

Candidates may contact the Arkansas Real Estate Commission with questions about obtaining or maintaining a license.

Arkansas Real Estate Commission
612 South Summit Street, Little Rock, AR 72201-4740

Phone: (501) 683-8010

Email: arec.application@arkansas.gov

LICENSURE PROCESS

Licensure is the process by which an agency of state government or other jurisdiction grants permission to individuals to engage in the practice of, and prohibits all others from legally practicing, a particular profession, vocation, or occupation. By ensuring a minimum level of competence, the licensure process protects the general public. The state regulatory agency is responsible for establishing the acceptable level of safe practice and for determining whether an individual meets that standard.

The state of Arkansas has retained the services of Pearson VUE to develop and administer its real estate examination program. Pearson VUE is a leading provider of assessment services to regulatory agencies and national associations.

PRACTICE TESTS (NATIONAL/GENERAL PORTION ONLY)

National/general practice tests are offered exclusively online at www.pearsonvue.com, giving candidates even more opportunity to succeed on real estate examinations. The national/general practice tests will not only help prepare candidates for the types of questions they will see on the national/general portion of the licensure examination but also familiarize them with taking computer-based examinations.

Pearson VUE offers a practice test for real estate that contains questions developed by subject matter experts using concepts found in the national/general portion of the licensure examination. The test closely reflects the format of the national/general portion of the licensure examination, can be scored instantly, and provides immediate feedback to help candidates identify correct and incorrect answers. Candidates can purchase national/general practice tests anytime by visiting www.pearsonvue.com/practicetests/realestate.

STATE LICENSING REQUIREMENTS

The Arkansas Real Estate Commission (AREC) established the requirements for qualification for a real estate sales or broker license. Applicants must read this candidate handbook and any other information provided by the Commission before applying for any license examination.

EXAM ELIGIBILITY

All first-time examination applicants **must** submit the **Application for Real Estate License Examination** (found in this handbook) to the Arkansas Real Estate Commission. If the application is complete and all education and experience requirements are met, the applicant will be emailed an **Authorization to Test letter** by email from Pearson VUE. Candidates will be authorized for unlimited attempts to pass the exam portions (State and National) for which they qualify for one year.

Upon review of the application to the Arkansas Real Estate commission **and receipt of state and federal criminal background checks**, the Commission will determine the applicant's eligibility for licensure. Candidates will be authorized to test for one year from the date of approval from the Commission.

Military Members, Veterans, and Spouses

Active duty military members, returning military veterans and spouses may qualify for expedited application processing. Those active duty military members, returning military veterans and spouses who **hold a substantially equivalent real estate license issued by another jurisdiction** may qualify for automatic licensure under A.C.A. § 17-1-106. Please contact the AREC for additional information.

Reinstatement of Previous License

Applicants who have previously held an Arkansas real estate license may qualify for waivers of certain application requirements under Arkansas law A.C.A. §17-1-107. Please contact the AREC for additional information.

Workforce Expansion Act Waivers

As mandated by Act 725 of 2021, the Arkansas Real Estate Commission has implemented a waiver of the initial licensing fee for applicants who qualify for the Workforce Expansion Act of 2021. If the initial applicant is currently receiving assistance through the Arkansas Medicaid Program, Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Temporary Assistance for Needy Families Program (TANF), Lifeline Assistance Program and/or the applicant was approved for unemployment with the last twelve (12) months and/or the applicant's income does not exceed two hundred percent (200%) of the federal poverty income guidelines that applicant may qualify for the waiver.

If you meet the qualifications for the Workforce Waiver, please contact the office at arec.application@arkansas.gov to provide documentation and request the waiver for the initial application fee.

REAL ESTATE LICENSE REQUIREMENTS

A. Salesperson applicants must:

1. Have reached the age of majority, eighteen (18)
2. Successfully complete sixty (60) hours of real estate education, of which thirty (30) hours must be in the basic principles of real estate, from an accredited post-secondary school or a school or organization licensed by the Arkansas Real Estate Commission or school or organization approved by a real estate licensing jurisdiction deemed equivalent by the Commission. [ACA Sect. 17-42-303 and Commission Regulation 4.1]
3. Submit application paperwork and fees to be approved to take the license examination.
4. Submit the proper forms and fees to the Arkansas Real Estate Commission (as set forth on the passing score report issued by Pearson VUE at the time of examination) no later than ninety (90) days after passing the examination.

B. Broker applicants must:

1. Have reached the age of majority, eighteen (18)
2. Successfully complete, within the thirty-six (36) months immediately preceding the date of the application, sixty (60) hours of real estate education of which forty-five (45) hours must be the Commission developed Broker Pre-License Course. All classroom hours must be from an accredited post-secondary school or school or organization licensed by Arkansas Real Estate Commission or school organization approved by a real estate licensing jurisdiction deemed equivalent by the Commission. [ACA Sect. 17-42-303]
3. Submit application paperwork and fees to be approved to take the license examination.
4. Submit the proper forms and fees to the Arkansas Real Estate Commission (as set forth on the passing score report issued by Pearson VUE at the time of examination) no later than ninety (90) days after passing the examination.

C. Applicants currently licensed in another state

A salesperson applicant who has met the Arkansas Real Estate Commission's (pre-licensing) education requirements and is currently licensed in another state and seeking licensure in Arkansas at the same level **may** request a waiver of the general portion of the examination. An applicant who meets all three (3) of the following requirements **may** be required to take only the Arkansas law portion of the Salesperson examination:

1. The applicant has passed a uniform, general, or multi-state part of an examination for a real estate license in another state, which the examination is determined by the Arkansas Real Estate Commission to meet generally acceptable standards of real estate testing.
2. The other state requires a minimum passing grade no lower than that required for the general portion of the Arkansas examination (70).
3. The applicant at the time of taking the Arkansas examination is licensed in the other state [Commission Regulation 4.2 (d)].

The Commission, after review, will notify all applicants who are qualified to take only the Arkansas law portion of the examination.

POST-LICENSURE REQUIREMENT

Each salesperson and broker will complete a post-license education course or courses as established by the Commission. Said course(s) must be completed within six (6) months of initial licensure to remain active. [ACA Sect. 17-42-303(c)(1); 17-42-307(d) & Reg 11.5].

EXAM RESERVATIONS

MAKING A RESERVATION

Candidates may make a reservation after they have received an **Authorization to Test letter** from Pearson VUE via email.

Walk-in examinations are not available. Online reservations are the most efficient way for candidates to schedule their examination. Candidates **must** go to www.pearsonvue.com/ar/realestate to make an online reservation for an examination. First-time users are required to create an account. The candidate will need to fill in all required fields, which are preceded by an asterisk (*), on the online form in order to create an ID and be assigned a password. Step-by-step instructions will lead the candidate through the rest of the examination reservation process.

TEST CENTER LOCATIONS

A list of test centers appears on the back cover of this handbook. In addition, candidates may review the test center locations by going to <http://www.pearsonvue.com/vtclocator/>. If the candidate has questions regarding the confirmation of specific locations and/or examination schedules, please contact Pearson VUE.

Arkansas Real Estate licensure exams are available at select Pearson VUE test centers on military installations across the globe. Service members, dependents, and contractors with authorized base access who want to gain Arkansas Real Estate licensure from their duty station or assignment in another state or foreign deployment will have the option to take their exam(s) without having to return to Arkansas to test.

To locate a Pearson VUE authorized testing center, visit <http://home.pearsonvue.com/military> and select Arkansas Real Estate.

Candidates **must** make an online reservation at least twenty-four (24) hours before the desired examination date. Candidates who wish to make a phone reservation at (800) 274-2606 must do so at least twenty-four (24) hours before the desired examination date.

Before making a reservation, candidates should have the following:

- Legal name, address, Social Security number, daytime telephone number, and date of birth
- The name of the examination(s)
- The preferred examination date and test center location (a list appears on the back cover of this handbook as well as an additional national network of test centers available to schedule your exam)
- The information noted on the **Authorization to Test letter** from AREC

EXAM FEES

The examination fee (\$75) must be paid at the time of reservation by credit card, debit card, or voucher.

Fees will not be accepted at the test center. Examination fees are non-refundable and non-transferable, except as detailed in the **Change/Cancel Policy**. When scheduling the exam, any two exam portions authorized by the AREC and selected for scheduling on the same cart order will receive a two-for-one discount.

Vouchers

Vouchers offer another convenient way to pay for tests. Vouchers can be purchased online at www.pearsonvue.com/vouchers/pricelist by credit card either singly or in volume. To redeem a voucher as payment when scheduling a test, simply indicate voucher as the payment method and provide the voucher number. All vouchers are pre-paid. Vouchers are non-refundable and non-returnable.

Vouchers expire twelve (12) months from the date they are issued. Voucher expiration dates cannot be extended. The exam must be taken by the expiration date printed on the voucher.

CHANGE/CANCEL POLICY

Candidates should call (800) 274-2606 at least forty-eight (48) hours before the examination to change or cancel a reservation. Candidates who change or cancel a reservation with proper notice may either transfer the fee to a new reservation or request a refund. **Candidates who change or cancel their reservations without proper notice 48 hour advanced notice will forfeit the examination fee.** Refunds for credit/debit cards are immediate, while refunds for vouchers will be processed in two to three (2-3) weeks.

Candidates are individually liable for part of the examination fee once a reservation has been made, whether individually or by a third party.

ABSENCE/LATENESS POLICY

Candidates who are late or absent from an exam may call Pearson VUE within 14 days of the exam date to request an excused absence for the following reasons:

- Illness of the candidate or of the candidate's immediate family member
- Death in their immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Military duty
- Weather emergency

A case number will be assigned and instructions provided for emailing supporting documentation. **Candidates absent from or late to an exam who have not changed or canceled the reservation according to the Change/Cancel Policy will not be admitted to the exam and will forfeit the exam fee.**

WEATHER DELAYS AND CANCELLATIONS

If severe weather or a natural disaster makes the Pearson VUE test center inaccessible or unsafe, the examination may be delayed or canceled. Pearson VUE will notify and reschedule candidates in the case of severe weather.

ACCOMMODATIONS

Pearson VUE complies with the provisions of the Americans with Disabilities Act as amended. The purpose of accommodations is to provide candidates with full access to the test. Accommodations are not a guarantee of improved performance or test completion. Pearson VUE provides reasonable and appropriate accommodations to individuals with documented disabilities who demonstrate a need for accommodations.

Test accommodations may include things such as:

- A separate testing room
- Extra testing time
- A Reader or Recorder, for individuals with mobility or vision impairments and cannot read or write on their own

Test accommodations are individualized and considered on a case-by-case basis. All candidates who are requesting accommodations because of a disability must provide appropriate documentation of their condition and how it is expected to affect their ability to take the test under standard conditions. This may include:

- Supporting documentation from the professional who diagnosed the condition, including the credentials that qualify the professional to make this diagnosis
- A description of past accommodations the candidate has received

The steps to follow when requesting test accommodations vary, depending on your test program sponsor.

To begin, go to <http://pearsonvue.com/accommodations>, and then select your test program sponsor from the alphabetized list. Candidates who have additional questions concerning test accommodations may contact the ADA Coordinator at accommodationspearsonvue@pearson.com.

EXAM DAY

WHAT TO BRING

All candidates must bring to the test center on examination day the following:

- Two (2) forms of signature identification, one of which must be government-issued and photo-bearing

REQUIRED ITEMS

Candidates who do not present the required items will be denied admission to the examination, will be considered absent, and will forfeit the examination fee.

Acceptable Forms of Candidate Identification

Candidate must present **two (2)** forms of current signature identification. The name on the identification must exactly match the name on the registration. The primary identification must be government issued and photo-bearing with a signature and the secondary identification must contain a valid signature. Identification must be in English.

Primary ID (photograph and signature, not expired)

- Government-issued Driver's License
- U.S. Dept. of State Driver's License
- U.S. Learner's Permit (plastic card only with photo and signature)
- National/State/Country ID card
- Passport
- Passport Card
- Military ID
- Military ID for spouses and dependents
- Alien Registration Card (Green Card, Permanent Resident Visa)

Secondary ID (signature, not expired)

- U.S. Social Security card
- Debit (ATM) or Credit card
- Any form of ID on the Primary ID list

If the ID presented has an embedded signature that is not visible (microchip), or is difficult or impossible to read, the candidate must present another form of identification from the Primary ID or Secondary ID list that contains a visible signature.

Pearson VUE does not recognize grace periods. For example, if a candidate's driver's license expired yesterday and the state allows a 30-day grace period for renewing the ID, the ID is considered to be expired.

EXAM PROCEDURES

Candidates should report to the test center thirty (30) minutes before the examination and check in with the test center administrator. The candidate's identification and other documentation will be reviewed and they will be photographed for the score report.

Candidates are required to review and sign a **Candidate Rules Agreement** form. If the **Candidate Rules Agreement** is not followed and/or cheating or tampering with the examination is suspected, the incident will be reported as such and the appropriate action will be taken. The examination fee will not be refunded, the exam may be determined invalid, and/or the state may take further action such as prohibiting candidates from retaking the examination and/or denying a license.

Candidates will have an opportunity to take a tutorial on the computer on which the examination will be administered. The time spent on this tutorial will not reduce the examination time. The examination administrators will answer questions, but candidates should be aware that the administrators are not familiar with the content of the examinations or with the state's licensing requirements. Examination administrators have been instructed not to advise candidates on requirements for licensure.

Candidates may begin the examination once they are familiar with the computer. The examination begins the moment a candidate looks at the first examination question. Candidates will be given two to four (2-4) hours to complete the examination. The examination will end automatically after the examination time has expired, and candidates will leave the test center with their official scores in hand.

SCORE REPORTING

When candidates complete the examination, they will receive a score report marked “pass” or “fail.” Candidates who pass the examination will receive a score report that includes information on how to apply for a license. Candidates who fail the examination will receive a score report that includes a numeric score and diagnostic information relating to the general section of the examination, as well as information about reexamination.

REVIEW OF EXAMS

For security reasons, examination material is not available to candidates for review.

RETAKING THE EXAM

The salesperson examination is divided into two parts: general and state law. Candidates may take the exam portions either together or as separate appointments. Those who pass one part of the examination and fail the other, need to retake only the failed part within six (6) months. Candidates who after six (6) months have not passed both parts must retake the entire examination.

The broker examination is a one-part comprehensive examination and cannot be divided into portions for reexamination. Reservations for reexamination may not be made at the test center, and **candidates must wait twenty-four (24) hours before making one.**

SCORE EXPLANATION

Scaled Score

There are multiple versions of each of the licensing examinations. These versions are known as *forms*. Although all forms of an examination are developed based on the content outlines, the difficulty of the forms of an examination may vary slightly because different questions appear on each form. To ensure that no candidate is put at an unfair advantage or disadvantage due to the particular form of an examination that he or she is given, a statistical procedure known as equating is used to correct for differences in form difficulty.

The passing score of an examination was set by the Arkansas Real Estate Commission (in conjunction with Pearson VUE) after a comprehensive study was completed for each examination. Raw scores are converted into scaled scores that can range from 0 to 100. To avoid misuse of score information, numeric scores are only reported to failing candidates. The scaled score that is reported to you is neither the number of questions you answered correctly nor the percentage of questions you answered correctly. With a passing score of 70, any score below 70 indicates how close the candidate came to passing, rather than the actual number or percentage of questions the candidates answered correctly.

The passing scores for each examination are presented as follows:

PASSING SCALED SCORES	GENERAL	STATE
Salesperson	70	70
Broker	Unified 70	

DUPLICATE SCORE REPORTS

Duplicate score reports - Additional score reports can be obtained by logging into your candidate account on [Pearsonvue.com](https://www.pearsonvue.com) and navigating to exam results.

TEST CENTER POLICIES

The following policies are observed at each test center. **Candidates who violate any of these policies will not be permitted to finish the examination and will be dismissed from the test center, forfeiting the examination fee.**

- **No personal items are allowed in the testing room.** Personal items include but are not limited to: cellular phones, hand-held computers or other electronic devices, pagers, watches, wallets, purses, firearms or other weapons, hats, bags, coats, books, notes, or pens or pencils.
- Candidates must store all personal items in a secure area as indicated by the administrator, or return items to their vehicle. All electronic devices must be turned off before storing them in a locker. **The test center is not responsible for lost, stolen or misplaced personal items.**
- Studying **is not** allowed in the test center. Visitors, children, family or friends **are not** allowed in the test center.
- Dictionaries, books, papers (including scratch paper), and reference materials are not permitted in the examination room (unless permitted by the exam sponsor), and candidates are strongly urged not to bring such materials to the test center. Upon entering and being seated in the testing room, the test administrator will provide the candidate with materials to make notes or calculations and any other items specified by the exam sponsor. **The candidate may not write on these items before the exam begins or remove these items from the testing room.**
- Eating, drinking, chewing gum, smoking, and/or making noise that creates a disturbance for other candidates is prohibited during the exam.
- Break policies are established by the exam sponsor. Most sponsors allow unscheduled breaks. To request an unscheduled break, the candidate **must** raise their hand to get the administrator's attention. **The exam clock will not stop while the candidate is taking a break.**
- Candidates must leave the testing room for all breaks. However, candidates **are not permitted to leave the floor or building for any reason during this time, unless specified by the administrator and the exam sponsor.** If a candidate is discovered to have left the floor or building they will not be permitted to proceed with the examination and may forfeit the exam fees.
- While taking a break, candidates are permitted to access personal items that are being stored during the exam only if necessary—for example, personal medication that must be taken at a specific time. **However, a candidate must receive permission from the administrator prior to accessing personal items that have been stored.** Candidates are **not** allowed access to other items, including but not limited to, cellular phones, exam notes, and study guides, unless the exam sponsor specifically permits this.
- Any candidate discovered causing a disturbance of any kind or engaging in any kind of misconduct—giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing examination materials or notes from the examination room—will be summarily dismissed from the examination and will be reported to the state licensing agency. Decisions regarding disciplinary measures are the responsibility of the state licensing agency.

QUESTIONS OR COMMENTS ABOUT THE EXAM

For security reasons, examination material is not available to candidates for review. Candidates who have questions, comments, or concerns related to the exams, scoring or score reports, or who wish to verify any data held in Pearson VUE files, should direct written inquiries to Pearson VUE at the address provided on the inside front cover of this handbook. Candidates may also email their questions directly to Pearson VUE Customer Service at pearsonvuecustomerservice@pearson.com.

In all correspondence, candidates should provide their name and address information. If questions or comments concern an examination already taken, candidates should also include:

- the name of the examination
- the date the examination was taken
- the location of the test center

PREPARING FOR THE EXAM

PRETEST QUESTIONS

Many of the examinations will contain “pretest” questions. Pretest questions are questions on which statistical information is being collected for use in constructing future examinations. Responses to pretest questions do not affect a candidate’s score.

Pretest questions are mixed in with the scored questions and are not identified.

The number of pretest questions are listed in the content outline heading of each examination for which they are available. If a number is not present then there are no pretest questions for that particular examination.

SALESPERSON EXAM CONTENT

The content of the general section of the examination is based upon information obtained from a job analysis performed by Pearson VUE. Responses from real estate professionals were analyzed to determine the nature and scope of tasks they perform, and the knowledge and skills needed to perform them. This information is the basis upon which examination questions are written and ensures that the examination reflects the actual practice of real estate. Questions on the general section are also reviewed and approved by nationally recognized real estate professionals.

The state law section of the examination has been developed to reflect the laws, regulations, and practice of real estate in Arkansas, and has been reviewed and approved by real estate professionals in Arkansas.

UNIFIED BROKER EXAM CONTENT

The content of the broker examination is based upon the laws, regulations, and the practice of real estate in Arkansas and information obtained from a job analysis performed by Pearson VUE. Responses from real estate professionals were analyzed to determine the nature and scope of tasks brokers perform, and the knowledge and skills needed to perform them. The questions are written to ensure that the examination reflects the actual practice of real estate brokerage. The broker exam content has been reviewed and approved by Arkansas real estate professionals and the Arkansas Real Estate Commission.

MATH CALCULATIONS

The information below is NOT available at the test center and should be memorized.

Candidates may use the following information in making mathematical calculations on the general section of the real estate examinations unless otherwise stated in the text of the question:

- 43,560 square feet/acre
- 5,280 feet/mile
- Round off calculations (where applicable)

The information below, if needed, will be contained within the test itself:

If a question requires the calculation of prorated amounts, the question will specify: a) whether the calculation should be made on the basis of 360 or 365 days a year; and b) whether the day of closing belongs to the buyer or seller.

REAL ESTATE

National/General Content Outlines

Content Outline for Salespersons Examinations:
June 2020 – July 2024

Content Outline for Salespersons Examinations:
Effective August 1st, 2024

ARKANSAS

Real Estate State Content Outlines

Content Outline for Arkansas State Laws, Rules, and
Regulations for Arkansas Salespersons Examinations

Content Outline for Arkansas Unified Broker Examinations

General Exam Content Outline for Salespersons

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 (9 ITEMS)

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 (8 ITEMS)

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 (11 ITEMS)

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 (16 ITEMS)

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 (14 ITEMS)

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 (8 ITEMS)

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 (7 ITEMS)

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 (7 ITEMS)

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. Equity in property
5. Establishing a listing price
6. 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

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 pre-licensing provider or study materials.

National/General Exam Content Outline for Salespersons

Effective: August 2024

The national/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. Each section contains an overall item count and subtotals from each subsection. For example, if a major topic area has three (3) subtopics and ten (10) items, the subtopics will contain the number of items necessary to bring the total to ten (10) items.

In addition to building our real estate national/general exams to content specifications, Pearson VUE also builds our general exams to cognitive level specifications. These cognitive level specifications confirm that candidates have a comprehensive understanding of real estate general knowledge and federal regulation topics. They measure whether candidates have the knowledge, but more importantly, the skills and abilities to protect the public from day one as a real estate licensee. Every test item is classified into one of three categories: knowledge, application, or analysis. A knowledge item requires candidates to recall specific facts or definitions. An application item requires candidates to use their knowledge and apply it to a situation. An analysis item requires candidates to use their knowledge and examine a fact pattern in order to draw a conclusion or make a decision. Cognitive level breakdowns are included after the item count for major topic areas. For example, if a major topic area has ten (10) items, the cognitive level item counts will total to ten (10) items.

The national/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 11; 6 KNOWLEDGE, 3 APPLICATION, 2 ANALYSIS)

A. Real property vs. personal property (3 items)

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

B. Characteristics of real property (2 items)

1. Economic characteristics
 - a. Scarcity
 - b. Modification / Improvement
 - c. Permanence of Investment / Fixity
 - d. Area Preference / Situs
2. Physical characteristics
 - a. Immobility
 - b. Indestructibility
 - c. Non-homogeneity / Uniqueness

C. Legal descriptions (3 items)

1. Methods used to describe real property
2. Survey

D. Public and private land use controls – encumbrances (3 items)

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 9; 5 KNOWLEDGE, 2 APPLICATION, 2 ANALYSIS)

A. Ownership, estates, rights, and interests (5 items)

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, percentage leases, etc.
4. Liens and lien priority
5. Air, surface and sub-surface rights

B. Deed, title, transfer of title, and recording of title (4 items)

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; 6 KNOWLEDGE, 3 APPLICATION, 2 ANALYSIS)

A. Concept of value (4 items)

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

B. Appraisal process (2 items)

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

C. Methods of estimating value and Broker Price Opinions (BPO) (5 items)

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; 7 KNOWLEDGE, 6 APPLICATION, 3 ANALYSIS)

A. Types of contracts (1 item)

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

B. Required elements of a valid contract (3 items)

1. Voluntary
2. Agreement / Promise
3. Legally competent parties
4. Lawful consideration
5. Legal act / Purpose

C. Contract performance (3 items)

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. Electronic contracts and digital signatures
8. Time is of the essence

D. Sales contract (2 items)

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 (2 items)

F. Creation and termination of agency (2 items)

G. Licensee obligations to parties of a transaction (3 items)

V. REAL ESTATE PRACTICE (SALES 10; 5 KNOWLEDGE, 3 APPLICATION, 2 ANALYSIS)

A. Responsibilities of broker (2 items)

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

B. Brokerage agreements between the broker and principal (seller, buyer, landlord, or tenant) (3 items)

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 (3 items)

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 (2 items)

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 9; 5 KNOWLEDGE, 3 APPLICATION, 1 ANALYSIS)

A. Property conditions and environmental issues (5 items)

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. Environmental and property disclosure obligations and liability (4 items)

VII. FINANCING AND SETTLEMENT (SALES 7; 4 KNOWLEDGE, 2 APPLICATION, 1 ANALYSIS)

A. Financing concepts and components (2 items)

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 item)

1. FHA requirements
2. VA requirements
3. USDA Loan requirements and rural development financing
4. Conventional requirements
5. Buyer qualification and Loan to Value (LTV)
6. Hazard and flood insurance
7. Private mortgage insurance (PMI) and mortgage insurance premium (MIP)

C. Federal Financing Regulations and Regulatory Bodies (2 items)

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 (2 items)

VIII. REAL ESTATE MATH CALCULATIONS (SALES 7; 4 APPLICATION, 3 ANALYSIS)

A. Property area calculations (1 item)

1. Square footage
2. Acreage total

B. Property valuation (1 item)

1. Comparative Market Analysis (CMA)
2. Net Operating Income (NOI)
3. Capitalization rate
4. Equity in property
5. Establishing a listing price
6. Assessed value and property taxes

C. Commission/compensation (1 item)

D. Loan financing costs (1 item)

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

E. Settlement and closing costs (1 item)

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 item)

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

G. Property management calculations (1 item)

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

Notes on Math Calculations

The following information is **NOT** available at the test center and **SHOULD** be memorized:

- 43,560 square feet/acre
- 5,280 feet/mile

If a question requires the calculation of prorated amounts, the question will specify:

- whether the calculation should be made on the basis of 360 or 365 days a year; and/or
- whether the day of closing belongs to the buyer or the seller for purposes of prorations

Where applicable, round off calculations using standard rounding rules.

Please note the content on the exam reflects the real estate industry as a whole and may not reflect any ongoing litigation or settlements.

Real Estate General/National Resources

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

Please refer to the publishers for the most recent editions.

Pearson VUE does not endorse any particular pre-licensing provider or study materials.

Arkansas State Laws, Rules, and Regulations for Arkansas Salespersons Content Outline

Begins December 1, 2015

The Arkansas Salesperson law portion of the examination consists of thirty (30) scored items and ten (10) pretest (unscored) items. The pretest items are not identified and will not affect a candidate's score in any way.

I. DUTIES AND POWERS OF THE REAL ESTATE COMMISSION (4 ITEMS)

- A. General Powers**
- B. Examination of Records**
- C. Investigations, hearings, and appeals**
- D. License suspension, revocation, and other sanctions, monetary penalties**
- E. Recovery Fund**

II. LICENSING REQUIREMENTS (2 ITEMS)

- A. Activities requiring a license and exemptions**
- B. Types of licenses**
- C. Eligibility and requirements for licensing**
- D. License renewal**
- E. Change in license status or assignment**
- F. Change in licensee information; name and address(es)**
- G. Place of business requirements**

III. STATUTORY REQUIREMENTS GOVERNING THE ACTIVITIES OF LICENSEES (14 ITEMS)

- A. Dealing independently of principal broker**
- B. Expiration date for agency contracts**
- C. Broker responsibilities; executive brokers; part-time brokers**
- D. Advertising**
- E. Knowledge of property**
- F. Handling of funds; maintenance of records**
- G. Trust funds; trust accounts**
- H. Disbursement of trust funds**
 - I. Agreements to be written**
 - J. Self dealing**

K. Sales contract

L. Agency agreements; signage

M. Broker price opinions

N. Property management

IV. OTHER STATUTORY REQUIREMENTS (2 ITEMS)

- A. Membership in trade organization**
- B. Reporting violations**
- C. Criminal convictions and disciplinary actions**
- D. Violation of law or regulations**
- E. Time-shares**

V. AGENCY RELATIONSHIPS AND DISCLOSURES (8 ITEMS)

- A. Seller or lessor agents**
- B. Buyer or lessee agents**
- C. Dual agency and consent**
- D. Failure to disclose agency representation**
- E. Fidelity and honest dealing**
- F. Required and waivable duties**

Arkansas Unified Broker Content Outline

Begins December 1, 2015

The Arkansas Broker examination covers both general knowledge concepts, as well as Arkansas specific content. The examination consists of one hundred and twenty (120) scored items and ten (10) pretest (unscored) items. The pretest items are not identified and will not affect a candidate's score in any way.

I. DUTIES AND AUTHORITY OF THE REAL ESTATE COMMISSION (4%)

- A. General Powers**
- B. Examination of Records**
- C. Investigations**
- D. Disciplinary Authority**
- E. Recovery Fund**

II. ARKANSAS STATUTORY REQUIREMENTS GOVERNING LICENSURE (10%)

- A. Activities requiring a license and exemptions**
- B. Eligibility and requirements for licensing**
- C. Change in License Status-**
 - 1. Active/Inactive
 - 2. Transfer
 - 3. Terminations
- D. Renewals**
 - 1. Continuing education
- E. Change in information and required notifications**
 - 1. Name
 - 2. Address
 - 3. Criminal Offenses

III. OTHER ARKANSAS STATUTORY REQUIREMENTS GOVERNING REAL ESTATE (6%)

- A. Reporting violations**
- B. Membership in trade organization**
- C. Timeshare**
- D. Auctions**
 - 1. Nature of auction
 - 2. Written auction agreements
 - 3. Advertisement
 - 4. Internet auctions and absentee bids
 - 5. Prohibited acts
 - 6. Maintenance of records

IV. FEDERAL LAWS GOVERNING REAL ESTATE ACTIVITIES (10%)

- A. Federal loan programs**
- B. Business practices**
 - 1. RESPA
 - 2. TILA
 - 3. TRID
- C. Sherman Anti-trust Act**
- D. Anti-Discrimination/ Fair Housing**
 - 1. Fair Housing
- E. Americans with Disabilities Act**
- F. Environmental Conditions Laws and Disclosures**
 - 1. Lead-based paint
 - 2. CERCLA
 - 3. Asbestos
 - 4. Wetlands and flood plains
 - 5. Mold
 - 6. Radon
 - 7. Protected species

V. BROKER OPERATIONS AND RESPONSIBILITIES (18%)

- A. Broker Supervision**
 - 1. Broker supervision
 - 2. Executive Brokers
 - 3. Part-time brokers
 - 4. Failure to supervise
 - 5. Independent dealing
 - 6. Self dealing
- B. Office management**
 - 1. Unlicensed staff
 - 2. Policies and Procedures
 - 3. Employer/ Employee Relationships- including restrictions
 - 4. Employee vs. independent contractor
 - 5. Employee/Licensee Record Keeping
 - 6. Training

C. Trust funds

1. Handling of funds
2. Trust accounts
3. Commingling
4. Disbursement of trust Funds

D. Record Keeping

1. Transaction Documents
2. Financial Records

E. Business Organization

1. Forms of business
2. Firm name approval
3. Place of Business
 - a. Signage
 - b. Display of license

F. Business practices

1. Ethics
2. Implied duty of Good Faith
3. Due diligence
4. Third Party Service Providers

G. Advertising

H. Compensation

VI. CLIENT AND CUSTOMER RELATIONSHIPS AND AGENCY DISCLOSURES (12%)

A. Agency

1. Sub agency
2. Single agency
3. Seller's agent
4. Buyer's agent
5. Dual agency

B. Required and Waivable Duties

C. Agency Disclosures

D. Agency Agreements

1. Requirements
2. Expirations

E. Misrepresentation of Agency

F. Offers

G. Promoting best interests of the client

VII. REAL PROPERTY CHARACTERISTICS, LEGAL DESCRIPTIONS, CONDITION AND INSPECTION (10%)

A. Elements of real property

B. Forms of ownership

C. Land description

1. Legal Descriptions
2. Surveys
3. Easements
4. Encroachments

D. Land use control

1. Zoning
2. Eminent Domain

E. Knowledge of property

F. Material Disclosures

G. Liability considerations

H. Transfer of Property- Title Transfer

1. Deeds
2. Liens
3. Title Insurance

VIII. PROPERTY VALUATION AND THE APPRAISAL PROCESS (5%)

A. Elements of Value

B. Approaches to property pricing and valuation

1. Appraisal
2. BPO
3. CMA

C. Taxes

IX. CONTRACTS, FINANCING AND SETTLEMENT (15%)

A. Contract elements

B. Types of contracts

C. Agreements to be written

D. Agency Contracts

E. Sales Contracts

1. Terminology
2. Procedures
3. Standard components
4. Contingencies and misc. provisions
5. Contractual rights and obligations
6. Disputes and dispute resolution

F. Unauthorized practice of law

G. Statute of Frauds

H. Offers

I. Commission Agreements

J. Financing

1. Financing instruments
2. Financing sources
3. Types of loans
4. Financing clauses
5. Lending issues

K. Lender Requirements

1. Private Mortgage Insurance (PMI)
2. FHA, VA, and conventional loan requirements
3. Property Insurance (Hazard, Flood, Homeowners)
4. Title Insurance
5. Appraisal

L. Settlement and settlement calculations

M. Foreclosure

X. PROPERTY MANAGEMENT (10%)

A. Types and components of leases

B. Business practices

1. Property Management Agreements
2. Recordkeeping
3. Trust accounts
4. Trust funds
5. Security Deposits

C. Lessor & Lessee Rights

D. Agent Owned Properties

E. Disclosures

Arkansas Real Estate Commission (AREC)

612 South Summit Street
Little Rock, AR 72201-4740

Phone: (501) 683-8010 **Fax:** (501) 683-8020

COMPLETE THE APPLICATION FORM AND SEND TO THE ABOVE ADDRESS. MAKE SURE ALL REQUIRED DOCUMENTS AS SHOWN BELOW ARE ATTACHED.

1. SUBMIT THE FOLLOWING:

- **Fee:** cashier's check or signed money order payable to "AREC" in the total amount of \$50.00. Some candidates may qualify for a waiver of the application fee. See page 2 for details on Workforce Expansion Act Waivers.
- **Age of Majority:** Proof of attainment of age of majority (18); [copy of Driver's License, copy of Birth Certificate, or other acceptable document];
- **Background Check Acknowledgment Form**

2. EDUCATIONAL REQUIREMENTS:

Official transcript or original certificate(s) indicating successful completion of the following requirement:

SALESPERSON APPLICANT:

Sixty (60) hours of real estate education, of which thirty (30) hours must be in the basic principles of real estate, from an accredited post-secondary school or a school or organization licensed by the Arkansas Real Estate Commission or a school or organization approved by a real estate licensing jurisdiction deemed equivalent by the Commission. [ACA Sect. 17-42-303 and Commission Regulation 4.1];

BROKER APPLICANT:

Sixty (60) hours of real estate education, of which forty-five (45) hours must be the Commission developed Broker Pre-License Course, completed within thirty-six (36) months immediately preceding the date of application, from an accredited post-secondary school or a school or organization licensed by the Arkansas Real Estate Commission or a school or organization approved by a real estate licensing jurisdiction deemed equivalent by the Commission [ACA Sect. 17-42-303];

3. BROKER APPLICANT EXPERIENCE REQUIREMENT:

Proof that applicant has been licensed as an active real estate salesperson or broker for a period of not less than twenty-four (24) months within the previous forty-eight (48) month period immediately preceding the date of application and demonstration that the applicant has gained experience in the real estate business equal to that which would be gained by a person engaged in the real estate business on a full time basis during a minimum two year period of time. However, upon written request such experience requirement may be waived for a real estate broker applicant who meets certain requirements as specified by the Commission.

4. STATE AND FEDERAL BACKGROUND CHECK:

A State and Federal Background Check will be initiated **after** the application is processed by the Commission.

5. MILITARY MEMBERS, VETERANS, AND SPOUSES:

Active duty military members, returning military veterans and spouses may qualify for expedited application processing. Those active duty military members; returning military veterans and spouses who **hold a substantially equivalent real estate license issued by another jurisdiction** may qualify for automatic licensure under A.C.A. § 17-1-106. Please contact the AREC for additional information.

6. REINSTATEMENT OF PREVIOUS LICENSE:

Applicants who have previously held an Arkansas real estate license may qualify for waivers of certain application requirements under Arkansas law A.C.A. § 17-1-107. Please contact the AREC for additional information.

*DO NOT SCHEDULE YOUR EXAM UNTIL YOU HAVE RECEIVED THE AUTHORIZATION TO TEST LETTER.
An Authorization to Test letter will be sent to each person who is eligible for examination.
The Authorization to Test letter includes instructions for making your exam reservation.*

ARKANSAS REAL ESTATE COMMISSION (AREC)

612 South Summit Street, Little Rock, AR 72201-4740

phone: (501) 683-8010 fax: (501) 683-8020

APPLICATION FOR REAL ESTATE LICENSE EXAMINATION

Check one: ☐ Salesperson ☐ Broker

Instructions: This application must be completed, signed and notarized. Each question must be answered and the necessary documentation and fees attached or the application will be returned to the applicant.

1. NAME OF APPLICANT: (as stated on driver's license)

LAST NAME	FIRST	MIDDLE	MAIDEN

2. DATE OF BIRTH	MO	DAY	YEAR	SEX	M/F	SOCIAL SECURITY NUMBER

DRIVERS LICENSE NUMBER	STATE OF ISSUE	RACE	STATE OF BIRTH

3. MAILING ADDRESS: STREET ADDRESS (If applicable, please include the following information - Apartment/Suite/Floor #) PO BOX NUMBER

CITY	STATE	ZIP CODE+4
()	()	

DAYTIME PHONE NUMBER	CELL PHONE NUMBER	EMAIL ADDRESS

4. After the initiation of an investigation, hearing, or other administrative action, have you had a professional, vocational or occupational license, permit, certification or registration denied, revoked, suspended, cancelled, surrendered, or subject to any sanctions, including probation?
(If you responded Yes, provide a written report. The report should include the date of the action, name and address of the regulatory agency which has taken the action, and copies of the documents pertaining thereto. The report should also include your explanation of the circumstances which led to the action, along with any additional information you wish to submit.)

YES	NO
☐	☐

5. Have you ever been convicted of any crime other than a traffic violation? Being convicted shall include all instances in which a Plea of guilty or nolo contendere or finding of guilt is the basis for the conviction, and all proceedings in which the sentence has been deferred or suspended.
(If you responded Yes, provide a written report of the conviction which should include the date of the offense and of the conviction, the name and address of the court, the specific crime of which convicted or to which a guilty plea or nolo contendere (no contest) was entered, the fine, penalty and/or other sanctions imposed, and copies of the charging document and judgment of conviction or other disposition including probation or suspension of sentence. All requested documents and reports must be included with the application.)

YES	NO
☐	☐

IF YOU DO NOT FULLY UNDERSTAND THIS QUESTION, CONSULT WITH AN ATTORNEY.

6. Are there any pending lawsuits filed against you or have you ever had a judgment entered against you for fraud, deceit, dishonesty, misrepresentation, or conversion of property including money belonging to another in any civil proceedings?
(If you responded Yes, provide a written report which should include a complete statement of the charges and facts, together with dates, name and location of the court in which the proceedings were held or are pending.)

YES	NO
☐	☐

7. Are there any judgments against you?
(If you responded Yes, provide a written report which should include a copy of the unsatisfied judgment.)

YES	NO
☐	☐

8. Are you now licensed or have you ever been licensed in real estate in Arkansas or any other jurisdiction?
(If you responded Yes, list all such jurisdictions and provide a certified License History from the official record of all those jurisdictions except Arkansas.)

YES	NO
☐	☐

9. Are you or your spouse an active duty military member or returning military veteran? (If you responded Yes, please provide a copy of your current military identification card. Additional documentation may be necessary.)

YES	NO
☐	☐

10. A.C.A. § 17-1-104 requires agencies that issue professional licenses to record and forward applicant's Social Security Number to Child Support Enforcement.

For that reason, it is mandatory that an applicant for an Arkansas real estate license disclose his/her Social Security Number. Social Security Numbers will be transferred to the Arkansas Office of Child Support Enforcement for Child Support Purposes. Social Security Numbers shall not be disclosed publicly and are exempt from open records requirements of the Freedom of Information Act. Disclosure of Social Security Numbers without the consent of the individual is a Class B misdemeanor. Failure of an applicant to state his/her Social Security Number in an application for a real estate license will result in the denial of the license.

ATTACH PROOF OF THE FOLLOWING:

A. Attainment of age of majority (18) (Copy of driver's license, copy of birth certificate, or other acceptable document)

B. Successful completion of education requirements
(Original certificate(s), or certified copies, or other documentation satisfactory to the Commission)

C. Successful completion of experience requirements for broker applicants
(Completion of Broker Experience Form and certified license history if experience requirement was met in another jurisdiction)

D. Background Check Acknowledgment Form

28 CFR § 16.34 – Procedure to obtain change, correction, or updating of identification records.

If, after viewing his/her identification record, the subject thereof believes that it is incorrect or incomplete in any respect and wish changes, corrections, or updating of the alleged deficiency, he/she should make application directly to the agency which contributed the questioned information. The subject of a record may also direct his/her challenge as to the accuracy or completeness of any entry on his/her record to the FBI, Criminal Justice Information Service (CJIS) Division, ATTN: SCU, Mod. D2, 1000 Custer Hollow Road, Clarksburg, WV 26306. The FBI will then forward the challenge to the agency which submitted the data requesting that agency to verify or correct the challenged entry. Upon the receipt of an official communication directly from the agency which contributed the original information, the FBI CJIS Division will make any changes necessary in accordance with the information supplied by that agency.

By placing my signature below I certify that I have read each paragraph above and acknowledge each disclosure, that all information provided in this application is true and correct, and that the Arkansas Real Estate Commission may rely on its truthfulness in considering this application. I further give my consent for the Arkansas State Police and the Federal Bureau of Investigations to conduct a criminal record search and to release any results to: **Arkansas Real Estate Commission**, 612 South Summit Street, Little Rock, Arkansas 72201-4740

SIGNATURE

DATE (MONTH/DAY/YEAR)

NO REQUEST WILL BE PROCESSED WITHOUT A NOTARIZED SIGNATURE.

State of _____

County of _____

Subscribed and sworn before me, a Notary Public, in and for the

county and state aforesaid, this the _____ day of

NOTARY SEAL

_____, 20____.

NOTARY PUBLIC SIGNATURE

GENERAL INFORMATION

TEST CENTERS

Camden, AR <i>Southern Arkansas University Tech</i>	Mountain Home, AR <i>Arkansas State University - Mountain Home</i>
El Dorado, AR <i>South Arkansas CC - The Learning Center</i>	Newport, AR <i>Arkansas State University-Newport</i>
Fayetteville, AR <i>University of Arkansas</i>	Texarkana, AR
Fort Smith, AR	Warren, AR <i>S.E. Arkansas Community Based Education Center</i>
Jonesboro, AR <i>Arkansas State University</i>	Shreveport, LA
Harrison, AR <i>North Arkansas College</i>	Memphis, TN
Little Rock, AR	

Locations and schedules are subject to change.

There is also a national network of test centers available to take the Arkansas Real Estate exams.

Ask about a location when you schedule your exam.

To locate a Pearson VUE-authorized testing center,
visit <http://home.pearsonvue.com/military> and select Arkansas Real Estate.

PEARSON VUE HOLIDAY SCHEDULE

No exams on the following holidays or holiday weekends:

New Year's Day

Memorial Day

Labor Day

Christmas Day

Martin Luther King, Jr. Day

Independence Day

Thanksgiving