



Vermont Secretary of State
Office of Professional Regulation
Real Estate Commission
VT State Jurisprudence Exam

BROKER EXAM # 1

Directions and Information:

1. Questions 1-50 are multiple choice or true false questions. Each question is worth two (2) points.
2. Once you have completed the exam and answer sheet please upload only the answer sheet to your online application.
3. You must have a passing score of 75 to pass. You will be required to redo this exam if you fail.

Vermont State Jurisprudence Exam Study Material References

The Vermont Real Estate Commission State Jurisprudence Exam has questions from the following references:

- Real Estate Commission Statutes
- Real Estate Commission Administrative Rules
- Conservation and Development statute – chapter 21, 10 V.S.A Section 493 On premise signs

Vermont Real Estate Commission State Examination Answer Sheet – (BROKER EXAM #1)

Candidate Name: _____ Today's Date: _____

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| 1. A B C D E | 21. A B C D E | 41. A B C D E |
| 2. A B C D E | 22. A B C D E | 42. A B C D E |
| 3. A B C D E | 23. A B C D E | 43. A B C D E |
| 4. A B C D E | 24. A B C D E | 44. A B C D E |
| 5. A B C D E | 25. A B C D E | 45. A B C D E |
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| 9. A B C D E | 29. A B C D E | 49. A B C D E |
| 10. A B C D E | 30. A B C D E | 50. A B C D E |
| 11. A B C D E | 31. A B C D E | . |
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| 13. A B C D E | 33. A B C D E | |
| 14. A B C D E | 34. A B C D E | |
| 15. A B C D E | 35. A B C D E | |
| 16. A B C D E | 36. A B C D E | |
| 17. A B C D E | 37. A B C D E | . |
| 18. A B C D E | 38. A B C D E | |
| 19. A B C D E | 39. A B C D E | |
| 20. A B C D E | 40. A B C D E | |

Corrected by:	Grade:
Date	Pass / Fail

1. In Vermont, unprofessional conduct includes all of the following EXCEPT:
 - a. conviction of a felony unrelated to the practice of the profession.
 - b. signing a buyer service agreement for the firm after determining that the buyer is interested in a seller listing held by the firm.
 - c. waiting for the purchase and sale agreement to be signed before depositing earnest money in a real estate trust account.
 - d. practicing while psychologically unfit to do so.
2. Who may file a complaint against a broker or salesperson in Vermont?
 - a. only a client of a broker or salesperson
 - b. anyone
 - c. either a client or a customer of a broker or salesperson in a transaction
 - d. only the firm's principal broker or one of its brokers in charge
3. All of the following are exempt from the Vermont real estate license law EXCEPT
 - a. auctioneers.
 - b. trustees selling trust property.
 - c. a sheriff selling property at a tax sale.
 - d. limited liability companies performing brokerage services.
4. A Vermont broker is planning to open a brokerage firm. The application for this registration must include
 - a. identifying the designated principal broker/broker in charge.
 - b. uploading a copy of the firm's registration with the Secretary of State's Corporations Division.
 - c. designating the name under which the brokerage firm will conduct business, register licensees, and advertise.
 - d. all of the above.
5. A Vermont licensee did not renew her license by the expiration date. To renew, the licensee must
 - a. take the required course hours and pay a renewal fee.
 - b. petition for reinstatement in writing and pay a penalty fee.
 - c. provide proof of continuing education taken and pay the renewal fee and additional late penalty.
 - d. pay the reinstatement fee and request inactive status until continuing education is completed.

6. In Vermont, inactive status for a licensee refers to
 - a. a licensee who is working out of a personal residence, but not selling a significant amount of real estate.
 - b. a licensee who has placed their license voluntarily into inactive status and can no longer practice until reactivated.
 - c. a licensee whose license is with a holding company and providing only referrals.
 - d. a person who completes fewer than two real estate transactions a year.
7. Each licensee shall notify the Vermont Office of Professional Regulation in writing within _____ days regarding any change of the licensee's principal business location, phone number, or e-mail?
 - a. 5
 - b. 10
 - c. 20
 - d. 30
8. Once a Vermont real estate licensee passes the pre-license examination, how long are those exam scores valid?
 - a. 6 months
 - b. 1 year
 - c. 2 years
 - d. 5 years
9. How many total hours of continuing education are required for an active Vermont real estate broker to renew a license?
 - a. 4
 - b. 6
 - c. 16
 - d. 24

10. When a Vermont licensee leaves the employ of a brokerage firm, which of the following is true regarding the listings obtained by the licensee?
 - a. They remain the property of the licensee.
 - b. They are automatically void.
 - c. They are transferred to the new office at which the licensee becomes employed.
 - d. They remain with the licensee's original brokerage firm.
11. In Vermont, when a licensee is interested in purchasing a home, the licensee must disclose to the seller their interest in purchasing a property?
 - a. on initial contact by the licensee
 - b. any time prior to submitting an offer to purchase
 - c. any time prior to closing of the transaction
 - d. it is never necessary to notify the seller
12. In Vermont, which of the following is true regarding the mandatory consumer disclosure form with respect to a prospective client?
 - a. The form is not required to be given to someone who becomes a client.
 - b. The form must be given at the first reasonable opportunity.
 - c. The form must comply exactly with the form in the Appendices to the Rules.
 - d. The form must be signed by the prospective client to be valid.
13. If known to the licensee, Vermont license law requires disclosure to a prospective purchaser of all of the following:
 - a. a roof leak that is scheduled to be repaired.
 - b. state monitoring of the property for groundwater contamination even though no pollution has been found.
 - c. test results showing radon levels, some of which are above and below federal suggested action levels.
 - d. All of the above
14. In Vermont, the buyer's agent is obligated to preserve confidential information received from the buyer during the brokerage agreement EXCEPT in the case of
 - a. termination of the licensee's affiliation with the broker.
 - b. revocation of the brokerage agreement.
 - c. legal defense of the licensee against wrongful conduct allegations.
 - d. expiration of the fiduciary relationship with the buyer.

15. Before showing a property to a prospective buyer, when acting in the capacity of a seller's agent for a one- to four-family dwelling in Vermont, the licensee must disclose in writing to the prospective buyer that the licensee represents the seller.
- at the first business meeting.
 - prior to showing property.
 - at the time of writing a contract.
 - when the contract is accepted.
16. A Vermont licensee at XYZ Realty has a listing. A licensee from ABC Realty brings in a buyer who makes an offer on a property, and the seller accepts. Three weeks later, another buyer asks the listing licensee to write an offer. Which of the following **is the most appropriate next step for the licensee at XYZ?**
- Tell the prospective buyer that it is too late to make an offer.
 - Write the offer and present it to the seller.
 - Disclose the terms of the current contract and suggest a larger deposit.
 - Wait to see if the buyer from ABC Realty is turned down for financing before presenting another offer to the seller.
17. A Vermont licensee is performing brokerage services pursuant to a cooperation agreement with the seller's listing agency. The licensee owes a fiduciary responsibility to which of the following?
- seller only
 - listing agency only
 - both the seller and the listing agency
 - any customer who is the potential purchaser
18. A Vermont real estate licensee is required to deliver executed brokerage service agreement documents to the signatories
- immediately following a 3-day rescission period.
 - upon the request of the signatories, or as soon as possible thereafter.
 - at the time of execution, or as soon as possible thereafter.
 - within 3 business days.

19. A buyer chooses not to enter into a relationship with a licensee and this is noted on the agency disclosure form. In Vermont, how many years must this form be kept?
- a. 1
 - b. 3
 - c. 5
 - d. 7
20. Where should real estate licenses in Vermont be kept?
- a. in a locked filing cabinet to maintain security and confidentiality
 - b. in an accessible desk drawer in the event of an inquiry from the public
 - c. in a conspicuous area in public view
 - d. in the manager's office along with the licensee's personnel files
21. A Vermont real estate brokerage must do which of the following?
- a. Prepare detailed closing statements.
 - b. Notify the Real Estate Commission when creating a website.
 - c. Complete 8 hours of continuing education every year.
 - d. Keep copies of documents, including offers, for 7 years.
22. In Vermont, escrow funds may be released by the escrow agent
- a. to the Real Estate Commission.
 - b. to the seller within 30 days of performance date and pursuant to the directives of the sales agreement.
 - c. upon demand by the seller's attorney pursuant to default of the buyer.
 - d. pursuant to a signed written release from all parties designating to whom the deposit will be released.
23. In Vermont, at which point must escrow funds be deposited into the brokerage firm's escrow account?
- a. upon receipt of a buyer's written offer
 - b. at the time of the closing
 - c. no later than 5 banking days after the purchase and the sales agreement is executed by both seller and buyer
 - d. after all inspections have been completed

24. In Vermont, a licensee obtaining a written listing agreement must
- mail a copy of the listing agreement to the seller within 30 days.
 - give the buyer's agent a copy of the listing agreement.
 - deliver to the seller an original contract after execution of the agreement.
 - keep a copy of the listing agreement and contract on file for 1 year.
25. All of the following are prohibited in Vermont EXCEPT
- net listings.
 - blind advertisements.
 - broker signs that are 6 square feet in size including framework.
 - a listing broker disclosing motivational secrets of the client to a cooperating broker.
26. In Vermont, consent to designated agency showings may be obtained within the listing agreement and buyer agency agreement by
- separate disclosure agreement.
 - the seller's and buyer's initials.
 - the broker's signature.
 - separate dated signatures of the seller and buyer.
27. A Vermont brokerage firm representing both buyers and sellers in the market has a policy not to compensate other firms acting as agents of buyers. Which of the following is true regarding this policy?
- The policy must be disclosed in the firm's service agreements with clients.
 - The policy must be disclosed before showing the property to a potential purchaser.
 - The policy will be made void if it contradicts the policy of any potential cooperating brokerage firm.
 - The policy is illegal under Vermont law.
28. Which of the following is a prohibited practice for Vermont real estate brokerage firms?
- dual agency
 - discount brokerage
 - broker agency
 - designated agency

29. The sole owner of a restaurant wishes to sell their business. The business includes the building, the land where the restaurant is located, as well as business-related assets, including inventory, equipment, and trade name. Which of the following is true?
- a. Assisting the seller in this instance is not covered by the license law.
 - b. Assisting the seller in this instance could be accomplished by using a power of attorney to circumvent the license law.
 - c. The license law regulates this activity, but only insofar as the real estate is concerned.
 - d. The license law regulates these activities, including the sale of business trade names.
30. Where would you go to find information on the Vermont Land Gain tax?
- a. Vermont Department of Taxes
 - b. Vermont Secretary of State office
 - c. Agency of Administration
 - d. Vermont Department of Labor
31. In Vermont, municipal, historic, architectural, and cultural design review falls within the jurisdiction of which of the following?
- a. local development review board or planning commission
 - b. legislative body of the municipality
 - c. zoning board of adjustment
 - d. municipal conservation commission
32. In Vermont, when selling a one- to four-family dwelling serviced by a private water supply, a licensee must
- a. provide in writing any pertinent information disclosed by the seller to the buyer.
 - b. allow the buyer 3 days to investigate the condition of the water supply and system.
 - c. obtain a certificate of compliance from the local authority before showing the property to prospective buyers.
 - d. ensure that water tests have been conducted and documented within the past 90 days.

33. According to Title 10 of the Vermont Statutes Annotated, a broker's business office may erect an on-premise sign advertising the sale or lease of properties within which of the following guidelines?
- a. The sign may not have a total area of more than 150 square feet.
 - b. The sign may be of reasonably visible size, but no more than 4 square feet.
 - c. The sign should not be more than 1,000 feet from a main entrance from a highway to the business.
 - d. The sign shall not extend more than 10 feet above ground level.
34. Under Vermont law, where may a broker place a "For Sale" sign?
- a. on any property listed in the broker's multiple listing service
 - b. at the nearest intersection of streets, provided the sign is not on the pavement
 - c. on property the broker's firm has listed, provided the sign is no bigger than 6 square feet.
 - d. on property the broker's firm has listed, provided the sign is at least 3 rods from the center of the road
35. According to Vermont sign laws, are signs attached to "for sale" signs stating "sale pending" permitted?
- a. Yes, with written permission from the sellers.
 - b. Yes, if placed on residential property only.
 - c. Yes, if placed in a prominent location.
 - d. No, attaching additional signs are not permitted.
36. Vermont law prohibits discrimination in the rental or sale of dwellings based upon which of the following?
- a. bad references
 - b. education
 - c. veteran status
 - d. receipt of public assistance

37. The Vermont statute of limitations relating to marketability of title is how many years?
- a. 15
 - b. 20
 - c. 40
 - d. 60
38. Which of the following is within a salesperson's and a broker's scope of practice?
- a. lists, writes offers, attempts, or agrees to list real estate or any interest therein for sale or exchange;
 - b. offers for sale, exchange, or purchase of real estate or any interest therein;
 - c. negotiates, or offers, attempts, or agrees to negotiate the sale, exchange, or purchase of real estate, or any interest therein;
 - d. All of the above
39. How many banking days does a real estate broker have to deposit in a trust or escrow account in a bank or other financial institution licensed to do business in this State all earnest money and contract deposits held by him or her as a real estate broker in which the clients or other persons with whom the broker is dealing have an interest.
- a. 2
 - b. 5
 - c. 7
 - d. 1
40. When acting in the capacity of a seller's agent for an 12-unit apartment building in Vermont, the licensee must disclose the agency relationship to the prospective buyer
- a. at the earliest practical opportunity, but no later than the preparation of the offer.
 - b. at the earliest practical opportunity, but no later than acceptance of the contract.
 - c. before showing the property, but no later than the preparation of the offer.
 - d. before showing the property, but no later than acceptance of the contract.

41. All branch offices must have a:
- a. Principal broker
 - b. Salesperson
 - c. Broker in charge
 - d. Owner
42. A Non-Designated Agency Firm and all its licensees shall:
- a. take ordinary and necessary care to protect all client confidences from disclosure to third parties, except disclosure may occur pursuant to authorization of all clients affected thereby.
 - b. until closing, submit all offers to or from the client, with or without a deposit, whether oral or written, whether above or below the listed price.
 - c. if true, disclose the fact that the brokerage firm provides brokerage services to both buyers and sellers in the market. The disclosure shall be part of any seller or buyer service agreement executed on behalf of the brokerage firm.
 - d. All of the above.
43. The Commission may waive all or a part of the examination requirement if the applicant is a real estate broker or salesperson regulated under the laws of another jurisdiction, who is in good standing to practice in that jurisdiction and, in the opinion of the Commission, the jurisdiction's examination is substantially equal to that required by this chapter
- a. True
 - b. False
44. "Broker in charge means" the individual broker responsible for a single branch office
- a. True
 - b. False
45. All licensees must be associated with a _____
- a. Licensed salesperson
 - b. The Vermont Realtors
 - c. Licensed main or branch office
 - d. licensed real estate agent

46. When a licensed real estate broker passes away, the Vermont Real Estate Commission may issue a temporary license to the legal representative of the broker. This temporary licensee may continue to transact real estate business
- for a period of 6 months to provide time to locate a new principal broker.
 - for a period not to exceed 1 year, but shall not take new listings.
 - for a period of 2 years, but shall not take new listings.
 - for 6 months, and may renew current listings, but may not take on new listings.
47. What is the renewal cycle for a Vermont real estate brokers?
- every year on a date set by the Real Estate Commission
 - every 2 years by March 31 of even numbered years
 - every 2 years from date of original licensure for each particular licensee
 - every 5 years as long as the licensee remains active during the entire period
48. When advertising, a Vermont licensee
- may advertise on a web site without indicating the name of the principal broker/firm.
 - may advertise on a business card without including the firm/principal broker's name.
 - must display the brokerage firm's registered name, which should be the most prominent and largest identifier.
 - is required to have the address of the principal broker/firm when the licensee's own address is included on a business card.
49. A Vermont real estate licensee may act as a dual agent
- when buyers in the transaction give written consent.
 - when parties to the transaction give written consent.
 - when the Real Estate Commission is aware of the action.
 - Dual agency is not permitted in Vermont.

50. A Designated Agency Firm and the designated agent(s) with respect to a specific client shall:
- a. obtain written consent of the client to the appointment of the initial and any subsequent designated agent(s) at the time the seller or buyer service agreement is executed or amended.
 - b. take ordinary and necessary care to protect all client confidences from disclosure to third parties, except disclosure may occur pursuant to authorization of all clients affected thereby.
 - c. take ordinary and necessary care to protect all client confidences from disclosure to other licensees of the firm who are not designated agents for the client, except disclosure may occur pursuant to authorization of all clients affected thereby.
 - d. All of the Above.