



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

SALES EXAM # 2

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 – (SALES EXAM #2)

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 |
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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 |
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| 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. refusing to take listings from all sellers.
 - b. failing to inform clients, establish trust and escrow accounts, maintain records
 - c. failing to fully disclose to a buyer all material facts within the licensee's knowledge concerning the property being sold
 - d. failing to fully disclose to a buyer the existence of an agency relationship between the licensee and the seller
2. Which of the following must have a Vermont real estate license?
 - a. property owner selling his property
 - b. brokerage employee who shows real estate
 - c. auctioneer selling property at public auction
 - d. bank officer in charge of the bank's real estate department
3. A Vermont real estate license is necessary when charging a fee for brokering the sale of another's
 - a. commercial lease.
 - b. restaurant building.
 - c. business lease.
 - d. real estate securities.
4. Which of the following has a specific exemption from the Vermont real estate license law?
 - a. an attorney acting in the usual course of the practice of law
 - b. the sales staff of a developer engaged in resale transactions
 - c. a person who assists in marketing homes of several owners in a development pursuant to powers of attorney executed by each owner
 - d. a licensee selling her own property
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. What is the renewal cycle for Vermont real estate Salesperson licenses?
 - a. every year on a date set by the Real Estate Commission
 - b. every 2 years by May 31 of even numbered years
 - c. every 2 years from date of original licensure for each particular licensee
 - d. every 5 years as long as the licensee remains active during the entire period
7. How many hours of continuing education are required for an initial Vermont salesperson license renewal?
 - a. 16 hours
 - b. 8 hours post-licensure applicable only to Vermont resident licensees
 - c. 24 hours for both residents and non residents.
 - d. 16 hours plus 8 hours of instruction post-licensure
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. The requirements for a Vermont real estate salesperson to become a real estate broker include
 - a. passing a national exam.
 - b. attaining at least two years experience as a salesperson, including eight separate and unrelated closed transactions.
 - c. completing a course of instruction of at least 40-hours in length.
 - d. all of the above.
10. Within 90 days after the issuance of an initial salesperson license, a Vermont salesperson shall complete how many hours of post licensure education?
 - a. 4
 - b. 8
 - c. 16
 - d. 24

11. When a Vermont licensee leaves the employ of a brokerage firm, which of the following is true regarding the listings obtained by the licensee?
- They remain the property of the licensee.
 - They are automatically void.
 - They are transferred to the new office at which the licensee becomes employed.
 - They remain with the licensee's original brokerage firm.
12. In Vermont, when a licensee is interested in purchasing a home, the licensee must disclose to the seller their interest in purchasing a property?
- on initial contact by the licensee
 - any time prior to submitting an offer to purchase
 - any time prior to closing of the transaction
 - it is never necessary to notify the seller
13. In Vermont, which of the following is true regarding the mandatory consumer disclosure form with respect to a prospective client?
- The form is not required to be given to someone who becomes a client.
 - The form must be given at the first reasonable opportunity.
 - The form must comply exactly with the form in the Appendices to the Rules.
 - The form must be signed by the prospective client to be valid.
14. If known to the licensee, Vermont license law requires disclosure to a prospective purchaser of all of the following:
- a roof leak that is scheduled to be repaired.
 - state monitoring of the property for groundwater contamination even though no pollution has been found.
 - test results showing radon levels, some of which are above and below federal suggested action levels.
 - All of the above
15. 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
- termination of the licensee's affiliation with the broker.
 - revocation of the brokerage agreement.
 - legal defense of the licensee against wrongful conduct allegations.
 - expiration of the fiduciary relationship with the buyer.

16. 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.
- a. at the first business meeting.
 - b. prior to showing property.
 - c. at the time of writing a contract.
 - d. when the contract is accepted.
17. 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?**
- a. Tell the prospective buyer that it is too late to make an offer.
 - b. Write the offer and present it to the seller.
 - c. Disclose the terms of the current contract and suggest a larger deposit.
 - d. Wait to see if the buyer from ABC Realty is turned down for financing before presenting another offer to the seller.
18. 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?
- a. seller only
 - b. listing agency only
 - c. both the seller and the listing agency
 - d. any customer who is the potential purchaser
19. A Vermont real estate licensee is required to deliver executed brokerage service agreement documents to the signatories
- a. immediately following a 3-day rescission period.
 - b. upon the request of the signatories, or as soon as possible thereafter.
 - c. at the time of execution, or as soon as possible thereafter.
 - d. within 3 business days.

20. 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
21. 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
22. A Vermont salesperson receives an earnest money deposit. The salesperson must
- a. immediately deliver the funds to the seller.
 - b. deliver the funds to the seller within 3 days.
 - c. immediately deliver the funds to the principal broker.
 - d. deliver the funds to the principal broker within 3 days.
23. In the event of a dispute regarding termination of a sales agreement and disposition of the deposit, a Vermont broker should
- a. follow the directions of his client's lawyer.
 - b. protect the interests of his client by turning the deposit over to the client.
 - c. retain the deposit in the escrow account until all matters are resolved.
 - d. file notice with the Real Estate Commission, who may investigate the matter and issue orders regarding the disposition of the deposit.
24. A Vermont licensee is listing a two-family dwelling. Which of the following information should the licensee obtain?
- a. length of time the seller has owned the property
 - b. clear description of the property
 - c. previous agents considered
 - d. how much the seller wants to net

25. In listing property, a Vermont real estate licensee becomes aware that the property is subject to a right of first refusal. Which of the following must the licensee do?
- a. Obtain releases from the holders of the right before placing the property in the multiple listing service.
 - b. Require that the seller offer the property to the holders of the right at the asking price before placing the property on the market.
 - c. Disclose the existence of the right of first refusal before showing the property to a potential purchaser.
 - d. Discuss the existence of the right at any time before a potential purchaser makes an offer on the property.
26. When a Vermont licensee takes a listing, when should they provide a copy to the client who signs it?
- a. after the broker has signed for the firm
 - b. any time before the property is shown
 - c. at the time of execution, or as soon as possible thereafter
 - d. immediately upon the client's request, or as soon as possible thereafter
27. The seller service agreement giving a Vermont brokerage firm the most rights is called exclusive
- a. agency.
 - b. right to market.
 - c. right to sell.
 - d. right to represent.
28. A potential purchaser who is not a client of the licensee's firm wants to be shown a property that is for sale by owner. Under Vermont law, the licensee may
- a. show the property as a ministerial task without a signed service agreement with either the seller or the potential purchaser.
 - b. enter into a limited agency agreement with the seller and the potential purchaser after proper disclosure.
 - c. enter into a cooperation agreement with the seller and then show the property to the potential purchaser.
 - d. enter into a service agreement with the potential purchaser and make arrangements for previewing the seller's property.

29. In Vermont, brokerage service agreements must contain
- a fee set as a percentage of sale price.
 - the actual signature of at least one of the owners.
 - a description of any limitation on services to be provided.
 - a notarized copy of the mandatory consumer disclosure form.
30. To simplify its package of forms, a Vermont brokerage firm combined its exclusive right to market agreement and exclusive agency marketing agreement into one form of agreement. In Vermont, is this practice legal?
- No, this practice is illegal.
 - Yes, this practice is legal if the headings are boldface type and clear.
 - Yes, if the firm submits the forms to the Real Estate Commission for preapproval.
 - Yes, this practice is legal for non-resident licensees marketing Vermont property as long as the form meets the approval of the Commission where the licensee resides.
31. Which State agency has primary responsibility for the administration of Act 250.
- Vermont Tax Department.
 - Vermont Agency of Natural Resources.
 - Vermont Secretary of State Office.
 - Vermont Office of Professional Regulation
32. In Vermont, when should a notification of lead paint be given to the buyer?
- at the first showing of any property built prior to 1978
 - only if children under age 6 will be living in the property
 - prior to viewing the property
 - prior to the execution of any contract for purchase
33. A licensee is listing a Vermont residential rental property that was built in 1968. In marketing the property, the licensee is required to
- perform essential maintenance practices (EMPs) on the property to ensure it is lead safe.
 - keep the property off the market until the licensee is assured that the seller is in compliance with essential maintenance practices (EMPs).
 - comply only with federal lead-based paint laws since Vermont laws are pre-empted by the federal requirements.
 - provide the buyer with information explaining essential maintenance practice (EMP) requirements.

34. In Vermont, on-premise signs must be within what distance to the main entrance to the activity or premise advertised, as measured along the highway?
- a. 100 feet
 - b. 500 feet
 - c. 1,500 feet
 - d. 30 feet
35. Vermont's sign law prohibits all of the following with respect to real estate advertising signs placed upon a client's property EXCEPT
- a. having more than one sign.
 - b. having a sign that is six square feet or smaller.
 - c. placing the words "sale under contract" on the sign.
 - d. placing the sign in a highway right-of-way or on a tree.
36. Under the Vermont Fair Housing Law, a listing broker could refuse to show a property to a customer because of the customer's
- a. gender identity.
 - b. number of children.
 - c. marital status.
 - d. employment status.
37. In Vermont, when a leased residential dwelling unit or apartment building is sold, all of the following are true EXCEPT
- a. the leases remain in full force and effect.
 - b. a seller must transfer any security deposit to the purchaser at closing.
 - c. the purchaser must give all tenants written notice of their name, address, and the fact that the security deposit has been transferred to them.
 - d. the seller must give all tenants written notice of the purchaser's name, address, and the fact that the security deposit has been transferred to them.

38. To make their Vermont property more marketable, the sellers added a wraparound deck and a 12-by-24-foot screen room to their home. The sellers own a construction company and built the improvements with their employees. While digging holes for the deck's support columns, it was discovered the leach fields were not working properly. The old dry wells were totally blocked. New leach fields were added in the opposite direction from the old ones. The project was completed quickly and the sellers forgot to obtain a building permit. Their home went under a purchase and sale contract three days after listing with ABC Realty. The buyer's attorney discovers that the deck, screen room, and septic work was constructed without a permit. Which of the following statements is true regarding this situation?
- a. By not obtaining a permit, the seller's property is unmarketable until all permits are in place.
 - b. If the buyers are unable to wait 30 days for the sellers to obtain the necessary permits, they may choose to terminate the contract immediately in order to make an offer on another piece of property
 - c. The buyers may terminate the purchase and sales agreement by providing the sellers with a written notice identifying the problems.
 - d. The sellers have 30 days to obtain the required permits from the initial oral notice of construction without a permit.
39. What a duties are within a broker's scope that are not within a salesperson's?
- a. Supervision
 - b. Contract signing
 - c. Inspections
 - d. Managing showings
40. "Designated Agency" means the practice by which one or more licensees affiliated with a brokerage firm is appointed to act as an agent of the brokerage firm's buyer or seller client, yet an agent of the same brokerage may represent the counterparty, and this is considered not to create a conflict. Designated Agents owe the client the duties of a fiduciary.
- a. True
 - b. False

41. A license that has been inactive or lapsed for more than _____, will be required to submit additional information other than just the education and fees.
- a. 6 month
 - b. 1 year
 - c. 5 years
 - d. 10 years
42. 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.
43. Advertising includes:
- a. print ads of any type,
 - b. internet, email and electronic media
 - c. stationery and business cards
 - d. all of the above
44. Where do you find the statute and rules for the licensing of Real Estate Agents
- a. Vermont Realtors
 - b. Tax Department
 - c. Health Department
 - d. Office of Professional Regulation

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. 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.
47. 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
48. 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

49. 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
50. 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.