

Multiple Choice

Identify the letter of the choice that best completes the statement or answers the question.

- ___ 1. A broker has an exclusive right to sell listing with the sellers. The broker brings an offer to buy at the seller's asking price and terms from a capable buyer. At what point has the broker earned her commission?
 - a. At the close of escrow
 - b. Upon presentation of the offer
 - c. Upon acceptance of the offer
 - d. Upon qualification of the buyer
- ___ 2. In an exclusive right to sell listing,
 - a. the broker can claim a commission without presenting an offer.
 - b. there must be a definite termination date.
 - c. the broker cannot claim a commission if the seller sells the property herself.
 - d. there can be an indefinite term of the agreement.
- ___ 3. Which of the following listings provides the least protection of the broker's interests?
 - a. Net listing
 - b. Exclusive right to sell
 - c. Open listing
 - d. Exclusive agency listing
- ___ 4. The problem with net listings is that
 - a. the seller is assured of receiving the net amount he specifies.
 - b. the broker receives a higher than average commission.
 - c. the broker does not have to submit the offer to the seller if the offer is too low.
 - d. there could be a conflict of interest if dealing with an inexperienced seller.
- ___ 5. The broker is helping the home buyer obtain the lowest possible price. As agent for the buyer, the broker and the buyer have probably signed an agreement called
 - a. an exclusive right to sell listing.
 - b. an exclusive authority to purchase agreement.
 - c. an open listing.
 - d. a net listing.
- ___ 6. Multiple listing organizations typically use
 - a. an open listing.
 - b. an non-exclusive listing.
 - c. a net listing.
 - d. an exclusive right to sell listing.
- ___ 7. A licensed real estate salesperson can accept a commission from more than one broker
 - a. if both brokers are fully informed in writing.
 - b. when brokers are cooperating through the multiple listing service.
 - c. at no time.
 - d. if the salesperson was the procuring cause in each transaction.
- ___ 8. A licensed real estate salesman may lawfully receive a commission from
 - a. the buyer.
 - b. the seller.
 - c. the title company.
 - d. his broker.

- ___ 9. Broker commissions for the sale of real property are usually based on
- amount of the first written offer.
 - selling price.
 - listed price.
 - loan amount.
- ___ 10. Which of the following is true regarding an Exclusive Agency listing?
- Broker is entitled to his/her commission regardless of who sells the property.
 - Broker is entitled to his/her commission only if a cooperating broker sells the property.
 - Broker is entitled to his/her commission if someone other than the owner sells the property.
 - Broker is entitled to his/her commission only if he/she sells the property.
- ___ 11. A residence was listed at \$100,000 and sold for 92% of that amount. The rate of commission was 6%, and was divided equally between the selling and listing brokers. How much did each broker get?
- \$5,520
 - \$3,360
 - \$5,510
 - \$2,760
- ___ 12. A licensed salesperson is paid 2% commission on all sales that he produces. How much dollar volume of real estate would she have to sell each month to make \$3,500 per month?
- \$122,900
 - \$135,000
 - \$175,000
 - \$210,000
- ___ 13. In an area where the multiple listing commission split is 50/50, a broker sells another broker's 6% listing for \$105,000. How much commission will the selling broker receive?
- \$1,896
 - \$2,790
 - \$3,150
 - \$6,300
- ___ 14. A residence originally listed at \$92,000 sold for 7% less than that. If the listing broker gets half of the 6% sales commission and he gives his salesperson 60% of that, how much does the listing salesperson receive? (rounded to the nearest dollar)
- \$1,540
 - \$5,133
 - \$2,567
 - \$1,026
- ___ 15. The broker/manager receives 45% of the commissions on all sales made through her office. What would she receive on monthly sales totaling \$252,000 at an average 3.7% commission (rounded to the nearest dollar)?
- \$9,324
 - \$4,196
 - \$7,527
 - \$3,765
- ___ 16. Broker Alice was to receive 6% on a property she had listed for \$170,000. How much commission would she receive if the owner accepted an offer which reduced the price by 4%?
- \$8,976
 - \$9,792
 - \$10,200
 - \$17,000

- ___ 17. A listing to find a buyer for each of the following properties will usually be for a period of time ranging from six months to one year EXCEPT
- farms.
 - commercial properties.
 - residential properties.
 - industrial properties.
- ___ 18. A typical exclusive right to sell listing requires the owner to
- exclude other brokers from advertising or placing a sign on the property.
 - pay a commission if a purchaser is found who agrees to buy at the price and terms stipulated in the listing.
 - both a and b.
 - neither a nor b.
- ___ 19. The amount of commission to be paid the broker for selling a property is
- set by law.
 - negotiated at the time a buyer is found.
 - set forth in the rules of the state real estate commission.
 - stated in the listing contract.
- ___ 20. Under the terms of an exclusive right to sell listing, a commission is due the listing broker if a buyer is found by
- the listing broker.
 - a sales associate employed by the listing broker.
 - another broker.
 - any of the above.

True/False

Indicate whether the sentence or statement is true or false.

- ___ 21. The first thing a licensed broker must prove to recover a commission is that he has competitive commission rates.
- ___ 22. With a net listing, the sales commission is a fixed dollar amount.
- ___ 23. Under an exclusive authority to purchase agreement, the buyer becomes a principal.
- ___ 24. A broker is employed to find a buyer using an exclusive right to sell listing. He finds one at the seller's price and terms. If the seller then refuses to sell, the broker is entitled to a full commission.
- ___ 25. A broker is attempting to collect a commission on a property after his exclusive right to sell listing expires. If he ends up in court, he must prove that he was the procuring cause.
- ___ 26. A listing is automatically terminated upon the death of the seller.
- ___ 27. A listing automatically will expire when the listing salesperson dies.
- ___ 28. With an exclusive right to sell listing agreement, the broker will receive a commission regardless of whether the property is sold.
- ___ 29. An open listing allows the owner to list the property with several brokers at the same time.
- ___ 30. Under the terms of a multiple listing agreement, if a broker other than the listing broker sells the property, the seller may be responsible for paying two commissions.