



2011 Broker Examination Update

Presented
by
The Division of Real Estate
&
The Bureau of Education & Testing



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- Process – What was Accomplished
- Examination Format
- Areas of Focus
- Content Outline
- Questions
- Helpful Links



Process

What was Accomplished

- Item Bank Review – Items reviewed for relevancy, accuracy, clarity & correct reference by Subject Matter Experts (SMEs)
- Created a new classification scheme for the items
- Reclassified all items to the new classification scheme
- Identified areas considered most important
- Identified areas that needed test items & wrote new items
- Revised closing statement exercise



Exam Format

- Greater emphasis on brokerage business
- No closing statement worksheet
- Familiarity with HUD-1 settlement statement
- Cases relating to actual real estate transactions
- Answer questions based on the cases
- Total test questions – 100
- Each question worth one point
- Points related to cases – eight (8)
- Time allotted to complete the examination – 3 ½ hours
- Implementation Date – July 1, 2011



Areas of Focus

- Management & Supervision of Agents
 - Broker's liability
 - Florida Statute 475.25 (1) (u)
- Escrow Funds
 - 61J2-14.008 (b)
 - Broker held vs. attorney / title company held
- Broker Price Opinion (BPO)
- Real Estate Settlement Procedures Act (RESPA)
 - "Kickbacks"
- Familiarity with HUD-1 settlement statement
- Perform and verify basic settlement statement calculations
- Commercial Real Estate Commission Lien Law Act
 - Florida Statute 475 Part III & IV



HUD-1 Settlement Statement

- Students need to be familiar, particularly pages 1 & 2
- Student should be able to read a case, interpret and perform basic calculations
- Students should know where the figures would appear



HUD-1 Settlement Statement Important Areas & Calculations

Proration

- Rent
- Association / Maintenance Fees
- Taxes
- Government Recording & Transfer Charges
 - Transfer Taxes
 - Doc tax/stamps
 - Intangible Tax
- Sales Price
- Binder Deposit
- Third Party Financing
- Purchase Money Mortgage (Seller Financing)



Settlement Statement Sample Question

How much are the government transfer taxes for Buyer and Seller and where is this information placed on the HUD-1?

- A. Seller \$952; Buyer \$204; Page Two
- B. Seller \$952; Buyer \$748; Page One
- C. Seller \$1,190; Buyer \$748; Page Two *
- D. Seller \$1,190; Buyer \$748; Page One



Settlement Statement Sample Question

How much is the Buyer's new mortgage and where is this information placed on the settlement statement?

- A. \$136,000 Credit to Buyer; Page One*
- B. \$136,000 Debit to Buyer; Page Two
- C. \$158,100 Credit to Buyer; Page Two
- D. \$158,100 Credit to Seller; Page One



Settlement Statement Sample Question

The binder deposit on the HUD-1 is

- A. \$11,900 Debit to Seller; Page One.
- B. \$11,900 Credit to Buyer; Page Two.
- C. \$ 3,000 Debit to Buyer; Page Two.
- D. \$ 3,000 Credit to Buyer; Page One*



Settlement Statement Sample Question

Where is the sales price placed on the settlement statement?

- A. Page One, Debit to Seller only
- B. Page One, Credit to Seller, Debit to Buyer*
- C. Page One, Debit to Seller, Credit to Buyer
- D. Page Two, Credit to Seller only



Content Outline

- I. Real Estate Brokerage Business (43%)
- II. Valuing Real Property (9%)
- III. Listing and Selling Real Property (6%)
- IV. Contracts (11%)
- V. Financing (4%)
- VI. Closing Transactions (12%)
- VII. Federal Income Tax Laws (5%)
- VIII. Investment (4%)
- IX. Zoning and Planning (1%)
- X. Environmental Issues (1%)
- XI. Property Management (1%)
- XII. The Real Estate Market (3%)



Helpful Links

Bureau of Education

<http://www.myfloridalicense.com/dbpr/servop/testing/index.html>

Providers & Instructors

<http://www.myfloridalicense.com/dbpr/servop/testing/providers.html>

Candidate Information Booklets

<http://www.myfloridalicense.com/dbpr/servop/testing/booklets.html>

Division of Real Estate

<http://www.myfloridalicense.com/dbpr/re/index.html>



Questions