



# DRE AGENT LICENSING KIT

## LICENSING CHECKLIST

Use this checklist to streamline your sales agent licensing process.

1

### EDUCATION — 3 COURSES REQUIRED

3 courses are required — real estate Principles, Practice and Legal Aspects (elective)

- **first tuesday** courses are homestudy correspondence courses
- You receive the materials in print and online
- Online access to e-book and State Exam Prep Training is immediate
- printed books arrive within 5-7 business days

2

### STUDY YOUR MATERIALS

- Study the 3 courses for 54 days or more
- You have 1 year from enrollment to complete the courses
- To check your comprehension, take quizzes online or from your printed books

3

### PASS YOUR COURSE EXAMS

- Your course exams are open book, taken online or on paper with monitor
- Each course exam contains 100 multiple choice questions
- You have 2 hours and 30 minutes to complete each exam
- You have unlimited attempts to pass the exams during your 1-year enrollment
- 60% is the passing score for each exam
- Print your **Certificates of Completion** on passing each exam

4

## □ GET YOUR FINGERPRINTS SCANNED

- Fill out and sign three copies of RE 237 (Live Scan Service Request)
- Hand all three copies of RE 237 to a Live Scan service provider
- Pay a \$20-\$40 Live Scan Rolling Fee and a \$49 fingerprint processing fee to the Live Scan service provider

5

## □ APPLY FOR THE AGENT STATE EXAM AND LICENSE

You may either:

- Apply for the State Exam and license at the same time to cut processing time
- Apply to just take the State Exam, then on passing apply for your license — For details visit [firsttuesday.us/agentalt](http://firsttuesday.us/agentalt)
- DRE processing time: 3-6 weeks.

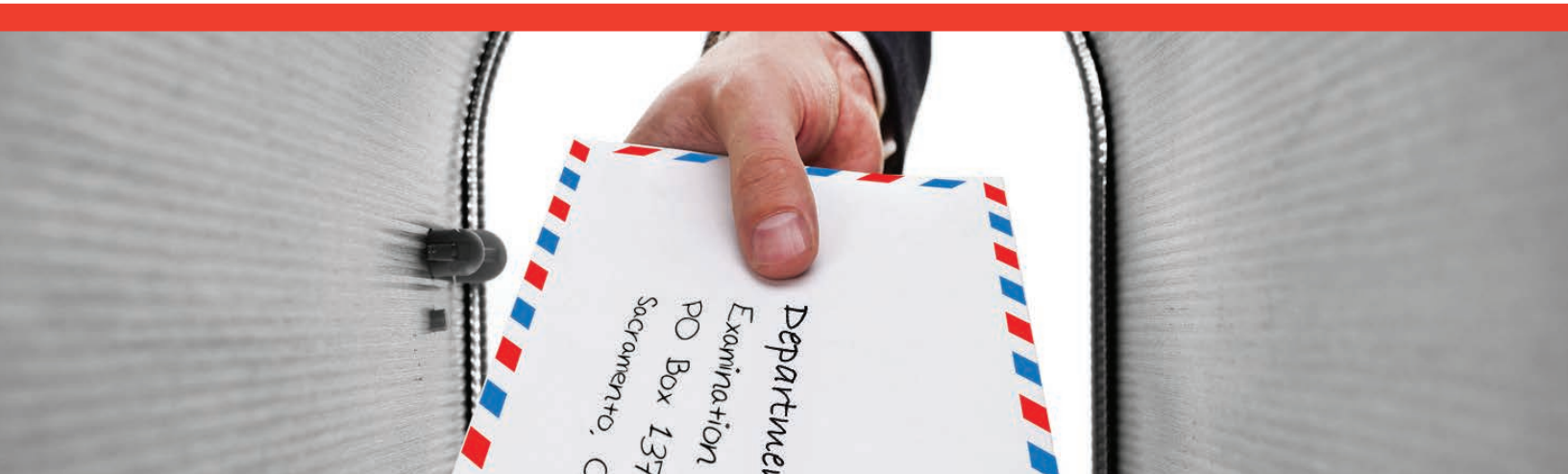
To apply for the State Exam and License:

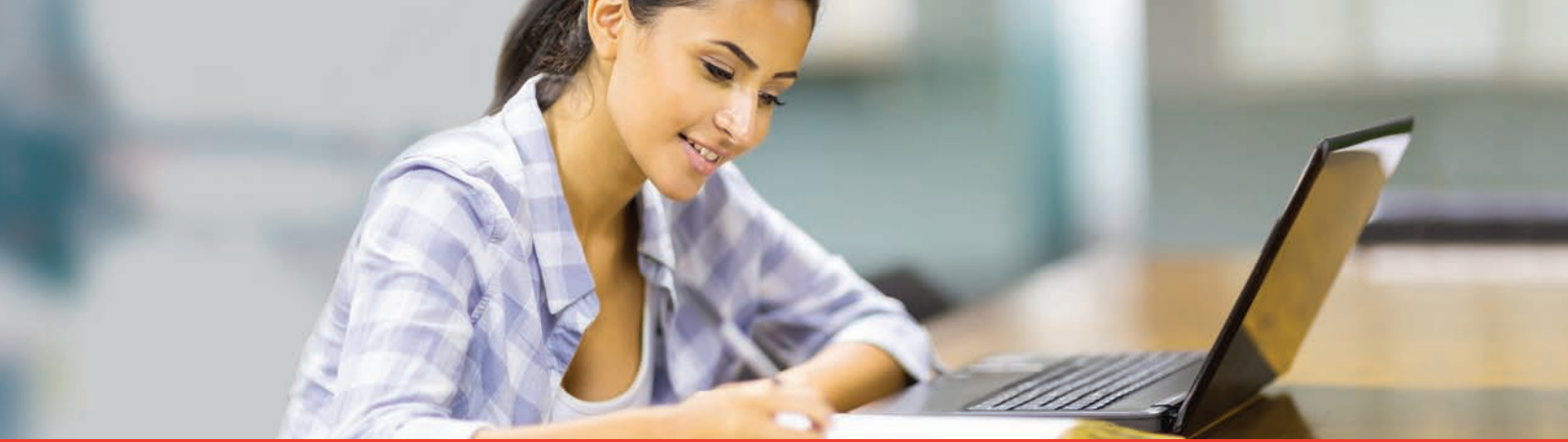
- Fill out and sign **RE 435 (Salesperson Exam/License Application)**
- Pay the \$305 exam and licensing fee by check payable to “Department of Real Estate” or by credit card using **RE 909 (Credit Card Payment)**
- Mail **RE 435**, one copy of **RE 237**, your exam and licensing fee payment and your 3 Certificates of Completion issued by **first tuesday** to:

Department of Real Estate  
Examination Section  
PO Box 137001  
Sacramento, CA 95813-7001

You will receive an email or letter from DRE clearing you for the State Exam

- Schedule your State Exam date and location by opening an eLicensing account at [dre.ca.gov](http://dre.ca.gov)
- you have 2 years to pass the State Exam





6

## PREPARE FOR THE STATE EXAM

- Read the State Exam Study Guide and Study Tips
- Study your State Exam Prep Book\*
- Take our interactive Practice Exams\*
- Activate the online memory-sorting Flash Card App\*
- Watch the Online Video Crash Course with its math component\*
- You may want to attend a live State Exam Prep Course\*

\* These State Exam training tools are not included in all enrollment packages

7

## TAKE YOUR STATE EXAM

- Take only your current government-issued photo ID into the testing room – nothing else.
- Receive your exam results immediately on completion.

When you pass, you will receive your real estate sales agent license.

## ADDITIONAL SERVICES

To start your career on the right track use these FREE **first tuesday** services

- Find a broker using **first tuesday's** Broker Search.
- Develop your income and expense expectations for your first year using the Agent's Income Data Sheet. [RPI Form 504]
- Stay ahead by reading the **first tuesday Journal**.
- Download real estate forms and FARM letter templates — **FREE**.
- Reference the **Realtipedia**, our 17-volume real estate library.

Access these **first tuesday** services at [firsttuesday.us/ftbenefits](http://firsttuesday.us/ftbenefits).







# THE STATE EXAM TRAINING GUIDE

## WELCOME TO GUIDANCE FOR YOUR PREPARATION TO TAKE THE STATE EXAM

- State Exam questions are allocated between each of seven real estate topics
- Study links for each of the seven topics reference the Realtipedia Library

## STATE EXAM FACTS

**Length:** 150 multiple choice questions

**Time Limit:** 3 Hours

**Format:** Taken on a computer at exam site

**Passing Score:** 70%

**Exam Locations:** Fresno, San Diego, Los Angeles, Oakland and Sacramento

## PRACTICE OF REAL ESTATE AND DISCLOSURES

Approximately **25%** of exam covers

Agency Supervision

Disclosure of Material Facts

Property Management

California Real Estate Recovery Fund

Affecting Property Value

Record Keeping Requirements

Commercial/Industrial/Income Properties

Disclosure Statements

Reports

DRE Jurisdiction and

Fair Housing Laws

Specialty Areas

Disciplinary Actions, Licensing, and Continuing Education

General Ethics

Servicing Diverse Populations

Requirements and Procedures

Natural Hazard

Technology

Need for Inspection and

Obtaining/Verifying Information

Transfer Disclosure Statement

Permitted Activities of

Unlicensed Sales Assistants

Trust Account Management

Truth in Advertising

### Study the following first tuesday material

- **Real Estate Principles** —“Real estate licensing and endorsement”, Agency Section, Fair Housing section, Property Disclosures section, Property Management section

## LAWS OF AGENCY AND FIDUCIARY DUTIES

Approximately **17%** of exam covers

Agency Supervision

Disclosure of Acting as Principal or Other Interest

Responsibilities of Agent to Seller/Buyer as Principal

Creation of Agency and Agency Agreements

Disclosure of Agency Law

Termination of Agency

Commission and Fees

Responsibilities of Agent to

Types of Agencies and Agents

Definition and Nature of Agency Relationships

Non-Client Third Parties

### Study the following first tuesday material

- **Real Estate Principles** — “Agency: authority to represent others”, “The agency law disclosure”, “Conflict of interest”, “Dual agency and subagency”
- **Real Estate Practice** —“Brokerage activities: agent of the agent”, “An agent’s perception of riches”, “Human resources: low-level management by brokers”, Listings: Employment by the public section

# PROPERTY OWNERSHIP AND LAND USE CONTROLS

## Approximately 15% of exam covers

Classes of Property	Encumbrances	Public Controls
Descriptions of Property	Government Rights in Land	Special Categories of Land
Environmental Hazards and Regulations	Private Controls	Types of Ownership
	Property Characteristics	Water Rights

### Study the following first tuesday material

- **Real Estate Principles** — Ownership Concepts section, “Easements: running or personal”, “Creating an easement”, “Termination of easements”, “Mechanic’s liens and foreclosures”
- **Legal Aspects of Real Estate** — Liens/Lis Pendens section

# PROPERTY VALUATION AND FINANCIAL ANALYSIS

## Approximately 14% of exam covers

Financial Analysis	Methods of Estimating Value	Value
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### Study the following first tuesday material

- **Real Estate Principles** — “The appraisal report”, “Construction concepts”

# CONTRACTS

## Approximately 12% of exam covers

Advanced Fee Agreements	Listing Agreements	Promissory Notes/Securities
Buyer Broker Agreements	Offers/Purchase Contracts	Purchase/Lease Options

### Study the following first tuesday material

- **Real Estate Principles** — “Listing as employment”, “Operating under a buyer’s listing”, “Finders: a nonlicensee referral service”, “The purchase agreement”, “The promissory note”, The Trust Deed section
- **Real Estate Finance** — Lender Financing section
- **Real Estate Practice** — Contract Law section

# FINANCING

## Approximately 9% of exam covers

Government Programs	Loan Brokerage Mortgages/	Sources of Financing
Financing/Credit Laws	Deeds of Trust/Notes	Types of Loans and Originators

### Study the following first tuesday material

- **Mortgage Brokering and Lending** — Licensing and Management section, Types of Mortgages section, Consumer Protection section
- **Real Estate Finance** — Notes and Their Provisions section, Lenders section

# TRANSFER OF PROPERTY

## Approximately 8% of exam covers

Deeds	Tax Aspects	Transfer by Court Order
Escrow	Title Insurance	Vesting

### Study the following first tuesday material

- **Legal Aspects of Real Estate** — Title and Vesting section
- **Real Estate Principles** — “Escrow, the time for performance”, “Home mortgage interest deductions”



# STUDY TIPS

## BEFORE THE EXAM

### **Use the State Exam Study Guide in this booklet to prepare**

The Study Guide contains the DRE's list of topics which appear on the State Exam. Review the **first tuesday** book chapters listed for each topic. All **first tuesday** books are available online except Appraisal, under the **Realtipedia Library** link in your Licensing Courses page.

### **Have a solid grasp of real estate vocabulary**

State Exam questions test your mastery of **real estate terms**. Review our dictionary at [firsttuesdayjournal.com](http://firsttuesdayjournal.com). Also, **first tuesday's** mobile flash card app trains you to retain — on the go. The app's learning modes use memorized-sorting slideshows to teach you terms you need to know (part of the California State Exam training package).

### **Practice makes perfect**

Retake the practice quizzes for your licensing courses multiple times until you consistently receive a score of **80% or greater**. The quizzes highlight key topics covered on the State Exam.

### **Consider a State Exam prep book and crash courses**

**first tuesday** offers the California State Exam training package which includes a Prep Book, State Exam practice questions, flash cards and online videos as well as a separate live Crash Course. These tools help you zero in on important concepts. If you go for the live crash course, schedule it for the weekend before your State Exam for optimum retention.

### **Cut the distractions and get down to work**

Study in a **quiet place**, free from distraction. That means no Facebook, Twitter, texting, family TV, computer, radio, cell phone or anything else which competes for your attention.

### **Study often, in short bursts**

**Take breaks** so you don't overload. Review online videos or flash cards anytime you have a couple of free minutes.

### **Use mnemonic devices and acronyms**

Use easy-to-remember **mnemonic devices** and **acronyms** to help concepts stick.

### **Write it down**

Take notes. The physical act of **writing information down** helps you retain it.

### **Practice with a timer**

**Time yourself** when you take practice quizzes or exams. Try to finish them in less time than is provided for the actual licensing exam.

### **Solicit input from new licensees**

**Ask new licensees** what subjects were heavily represented on the State Exam, and what topics they found challenging. Mine them for pragmatic test-taking tips.

### **Be well rested and ready to go**

Don't party or drink alcohol or caffeine the night before your test. **Sleep!**

# EXAM DAY TIPS

## ***The early bird passes the exam***

**Arrive early** so you aren't hurried. This gives you more time to get situated and do your last minute studying.

## ***Carefully read what is written***

Read the exam questions and answers **slowly** and **carefully**. Read what is written; don't assume you know what the question is asking before you finish reading it. It may be asking you for an exception, rather than the rule.

## ***Answer what is written – do not assume any facts outside of the question***

Answer the questions **exactly as they are written**. Every question is its own self-contained universe, and everything you need to answer it will be contained in the question itself. If you find yourself arguing with the question, you're over-thinking.

## ***Skip the hard questions, then go back to them***

All questions on the exam are given the exact same weight and importance, so don't get hung up on one question. Just move on, and return to it before you submit the exam.

## ***Partially incorrect = incorrect***

Keep an eye out for **absolute wording** such as "always", "never", "every", "only" and "must." If any part of the answer is incorrect, the entire answer is incorrect. There are no shades of gray on the exam.

## ***Are two answers correct?***

Some answer selections provided are, "All of the above", "None of the above" and "Both a. and b." If you're reviewing the answer selections and multiple seem correct, check all of your answer selection options to determine whether an "All of the above" or "Both a. and b." response is available. Remember, you're looking for the **best answer**.

## ***The greater the consumer protection, the better***

For questions concerning state or federal **regulatory controls**, the answer that provides the greatest protection to consumers is likely correct.

## ***If all else fails, take an educated guess***

If you don't know what the correct answer selection is, make an educated guess. Eliminate as many wrong answers you can. Generally, if three selections are similar and one is different, the dissimilar selection is correct. If one answer selection is longer than the others, it is likely correct.

## ***Make a note of it***

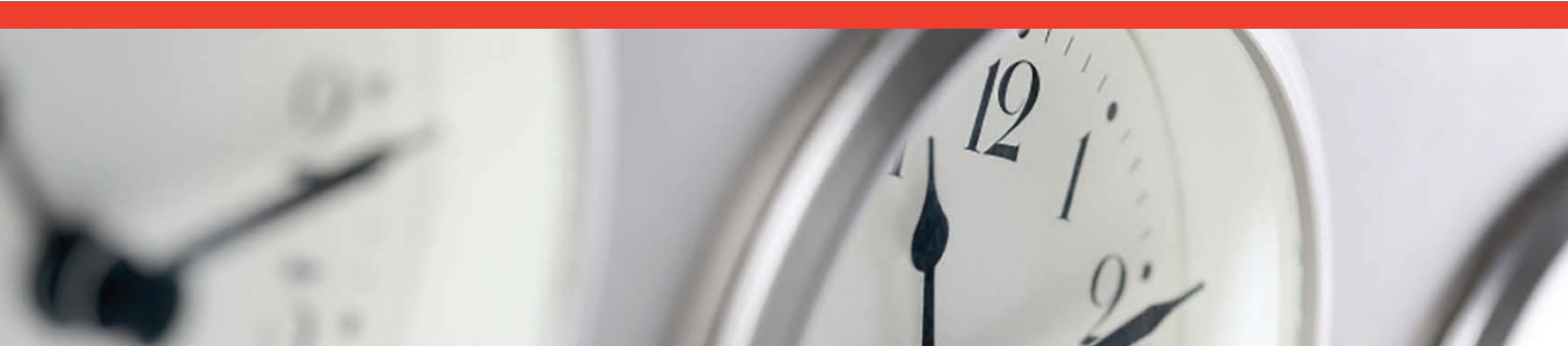
You are provided a small white board, marker and eraser when taking the exam. This comes in handy for making **notes**, such as specific questions you'd like to return to and review, or helpful mnemonic devices or acronyms you used during your study.

## ***Look for clues***

If you are stuck on a question, review the exam for other questions covering a similar subject matter to see whether these questions provide any clues regarding the answer of the question causing you trouble.

## ***Use every second to your advantage***

Use the **full time** allotted to take the exam. After you complete it, don't immediately submit it. Go back and **review** the exam as many times as the clock allows. Don't change your answers without a good reason.





# CONTACT US

## first tuesday

### Find us on the web

[firsttuesday.us](http://firsttuesday.us)  
[firsttuesdayjournal.com](http://firsttuesdayjournal.com)

### Email us

[customerservice@firsttuesday.us](mailto:customerservice@firsttuesday.us)  
[editoiral@firsttuesday.us](mailto:editoiral@firsttuesday.us)

### Call us

951.781.7300

### Visit us

3474 Niki Way, Riverside, CA 92507

### Hours of operation

Monday - Friday, 8:30 AM - 5:00 PM PST

## DRE

### Find them on the web

[dre.ca.gov](http://dre.ca.gov)

### Information line

877.373.4542

### Examination mail

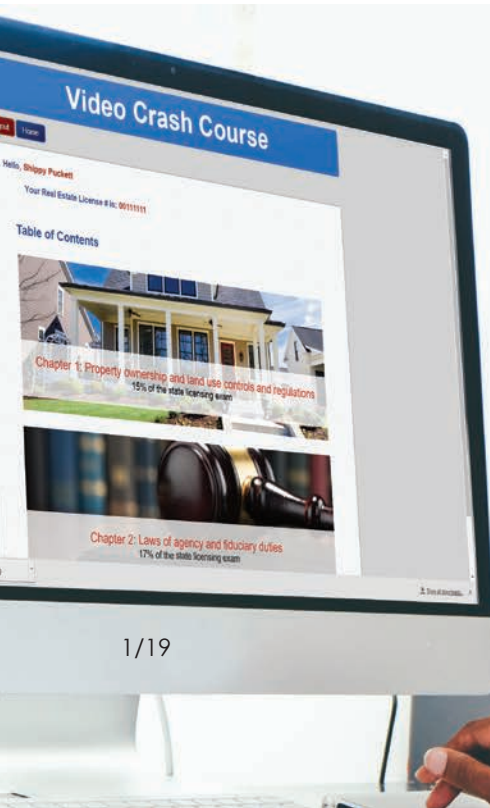
PO Box 137001, Sacramento, CA 95813-7001

### Original License mail

PO Box 137002, Sacramento, CA 95813-7002

### Hours of operation

Monday - Friday, 8:00 AM - 5:00 PM PST



## State Exam Training Package by first tuesday

Build the confidence you need to take the State Exam through our four interrelated training methods

### Online Video Crash Course

- A top flight classroom presentation, enhanced with graphics, running 12+ hours
- 50+ video segments for you to rewind and re-watch until retained

### Prep Book

- Unlocks the State Exam for you, using our bank of 1,100+ multiple choice questions

### Practice Exams

- You take unlimited simulated state exams covering randomly selected sample questions from the prep book

### Flash Cards App

- You train to retain, using a memorized-sorting slideshow of real estate terms