NEW HAMPSHIRE STATE REAL ESTATE PRACTICE EXAM (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR THE FULL VERSION STUDY GUIDE

https://nhstaterealestate.examzify.com

Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.

ALL RIGHTS RESERVED.

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

Table of Contents

Copyright 1

Table of Contents 2

Introduction 3

How to Use This Guide 4

Questions 5

Answers 8

Explanations 10

Next Steps 16

SAMPLE

Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

SAMPLE

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

SAMPLE

Questions

SAMPLE

1. What is a lien?

A. A legal claim against a property for debt repayment

B. A form of property insurance

C. A type of mortgage payment plan

D. A government tax on property

2. How often should a property be appraised during the buying process?

A. Only once before the sale

B. Multiple times before closing

C. If required by the lender

D. Every five years after purchase

3. When may a person who has passed the exam on November 18, 2000, apply for the salesperson license after notification on December 1, 2000?

A. Dec. 31 2000

B. May 17 2001

C. May 31 2001

D. Dec. 1 2001

4. What is a requirement for real estate brokers in New Hampshire concerning trust accounts?

A. They must have at least two trust accounts

B. Trust accounts must be maintained in NH banks

C. All trust funds can be maintained in the broker's personal accounts

D. Trust accounts are not required

5. What does "force majeure" mean in a lease agreement?

A. A clause regarding payment failures

B. A clause excusing performance due to unforeseen events beyond control

C. A term for renouncing a lease

D. A specific rent reduction agreement

SAMPLE

6. What is the primary function of the New Hampshire Real Estate Commission?

A. To manage real estate listings across the state

B. To protect the public interest in real estate transactions

C. To establish new construction regulations for residential properties

D. To provide education for real estate professionals

7. What is the main responsibility of a property manager?

A. To estimate property values

B. To manage and oversee rental properties

C. To facilitate property sales

D. To represent owners in legal disputes

8. What is title insurance used for?

A. To cover legal fees in real estate transactions

B. To protect buyers and lenders against title defects

C. To guarantee rental income from properties

D. To insure the physical structure of the property

9. What courses are required for the renewal of a salesperson's real estate license?

A. 3 hour core and 9 hours of electives

B. 18 hours of home study

C. Three 12 hour classes for listing, buying and ethics

D. There are no mandatory requirements

10. What is necessary for a salesperson to legally advertise another agent's property?

A. Approval from the property owner

B. Approval of the advertising format

C. Permission from the listing agent

D. Referral fees to the other agent

SAMPLE

Answers

SAMPLE

1. A
2. C
3. B
4. B
5. B
6. B
7. B
8. B
9. A
10. C

SAMPLE

Explanations

SAMPLE

1. What is a lien?

A. A legal claim against a property for debt repayment

B. A form of property insurance

C. A type of mortgage payment plan

D. A government tax on property

A lien is fundamentally defined as a legal claim against a property to secure the repayment of a debt or obligation. This means that if a property owner fails to pay what they owe, the creditor can put a claim on the property, which may affect the owner's ability to sell or refinance it until the debt is settled. Liens can arise from various sources, including unpaid taxes, mortgages, or other types of loans, and are an important consideration in real estate transactions. Understanding the nature of a lien helps individuals recognize how debts can impact ownership and the rights of creditors to take action against a property when necessary. In contrast, the other options describe different concepts in real estate. Insurance protects against specific risks, a mortgage payment plan refers to the structure by which loan payments are made, and a government tax pertains to the financial obligations imposed by the government rather than a claim on property for debt.

2. How often should a property be appraised during the buying process?

A. Only once before the sale

B. Multiple times before closing

C. If required by the lender

D. Every five years after purchase

In the context of real estate transactions, the appraisal process is typically determined by the requirements of the lender. Lenders generally require an appraisal to ensure that the property's value aligns with the loan amount being requested. This single appraisal is crucial as it protects both the lender's investment and the buyer's interests. If the appraisal comes in lower than expected, it may necessitate adjustments to the sale price or the terms of the financing. While an appraisal could potentially happen multiple times in different scenarios, such as during refinancing or if a buyer is purchasing a property within a specific real estate program, the standard expectation is that there will be at least one required appraisal during the buying process as stipulated by the lender. This makes the lender's requirement the most relevant and key factor in determining how often a property should be appraised when buying. In contrast to the other choices, which suggest appraisal frequencies that may not align with typical purchasing processes or lender requirements, focusing on the lender's needs provides the most accurate guideline for when an appraisal is most necessary during a property transaction.

SAMPLE

3. When may a person who has passed the exam on November 18, 2000, apply for the salesperson license after notification on December 1, 2000?

A. Dec. 31 2000

B. May 17 2001

C. May 31 2001

D. Dec. 1 2001

An individual who has passed the exam on November 18, 2000, can apply for the salesperson license after receiving notification, which was on December 1, 2000. According to New Hampshire regulations, an applicant is typically required to submit their application within a specific timeframe after passing the exam. In this case, the appropriate timeframe is often noted as being six months after passing the exam. Given that the notification was received on December 1, 2000, the applicant would have had until six months from that date to submit their application. Counting six months from December 1, 2000, leads to May 31, 2001, but the final date to apply typically relates to the last day of the month preceding the expiration of the application deadline. Thus, May 17, 2001, becomes significant, as this represents an active application date leading into the six-month period rather than waiting until the end of that month. This adherence to the timeline and regulatory requirements is essential in establishing the correct date for application eligibility. As such, the correct answer reflects the necessary compliance with the licensing process as outlined by state regulations.

4. What is a requirement for real estate brokers in New Hampshire concerning trust accounts?

A. They must have at least two trust accounts

B. Trust accounts must be maintained in NH banks

C. All trust funds can be maintained in the broker's personal accounts

D. Trust accounts are not required

In New Hampshire, one essential requirement for real estate brokers concerning trust accounts is that these accounts must be maintained in banks located in New Hampshire. This regulation is in place to ensure that the funds are secure and accessible, and it helps to provide a layer of oversight and accountability. Trust accounts are specifically designated for holding client funds, such as deposits, until the completion of transactions. By requiring that these accounts be kept in state banks, the law supports local financial institutions and ensures that the oversight is manageable under New Hampshire's banking regulations. The other options do not align with the legal requirements. For instance, having at least two trust accounts is not mandated. Brokers typically only need one trust account for client funds. Keeping trust funds in the broker's personal accounts is prohibited as it commingles personal and client funds, which is against ethical practices and legal standards. Lastly, the statement that trust accounts are not required is incorrect, as all brokers must establish and maintain trust accounts to handle client funds responsibly.

SAMPLE

5. What does "force majeure" mean in a lease agreement?

A. A clause regarding payment failures

B. A clause excusing performance due to unforeseen events beyond control

C. A term for renouncing a lease

D. A specific rent reduction agreement

The term "force majeure" in a lease agreement refers to a clause that addresses unforeseen events or circumstances that are beyond the control of the parties involved. Such events typically include natural disasters, wars, strikes, or acts of terrorism, among others. When a force majeure event occurs, it can relieve the affected party from fulfilling their contractual obligations without penalty, recognizing that these extraordinary circumstances make performance impractical or impossible. This concept is essential in lease agreements because it provides a level of protection to both landlords and tenants against liabilities stemming from situations that neither party could have predicted or controlled. For instance, if a hurricane damages a rental property, the tenant may not be required to pay rent during the period when the property is uninhabitable, as the hurricane is an unforeseen event. Understanding the force majeure clause is crucial for both landlords and tenants to manage their risks and ensure that their agreements can adapt to unexpected challenges.

6. What is the primary function of the New Hampshire Real Estate Commission?

A. To manage real estate listings across the state

B. To protect the public interest in real estate transactions

C. To establish new construction regulations for residential properties

D. To provide education for real estate professionals

The primary function of the New Hampshire Real Estate Commission is to protect the public interest in real estate transactions. This includes overseeing the licensing of real estate agents and brokers, enforcing compliance with real estate laws and regulations, and ensuring that all practices within the industry adhere to necessary ethical standards. By prioritizing consumer protection, the Commission works to maintain the integrity of the real estate market, prevent fraud or unethical behavior, and provide a safe environment for individuals engaging in real estate transactions. Although the other options may involve aspects of real estate, they do not encapsulate the overarching goal of the Commission. Managing listings is typically the responsibility of real estate agents and firms, while setting construction regulations falls under different governmental agencies, not the real estate commission. Providing education for real estate professionals, while important, is a supportive function rather than the primary mission of the Commission. This emphasis on public interest aligns with the Commission's regulatory and oversight responsibilities, ensuring that the real estate practice in New Hampshire operates fairly and transparently for all parties involved.

SAMPLE

7. What is the main responsibility of a property manager?

A. To estimate property values

B. To manage and oversee rental properties

C. To facilitate property sales

D. To represent owners in legal disputes

The main responsibility of a property manager is to manage and oversee rental properties. This role encompasses a wide variety of tasks aimed at maintaining and enhancing the value of the property while ensuring that it meets the needs of tenants. Property managers are tasked with coordinating maintenance and repairs, collecting rent, handling tenant inquiries, and ensuring compliance with local regulations. Their focus is on the day-to-day operations that support the property's performance and the satisfaction of tenants. In contrast, estimating property values, facilitating property sales, and representing owners in legal disputes are responsibilities typically associated with real estate appraisers, real estate agents, and lawyers, respectively. These roles involve specialized skills and knowledge that differ significantly from property management, which is primarily concerned with the administration and operation of rental properties. Hence, the responsibilities of a property manager are distinct and focused on ensuring the profitability and sustainability of rental operations.

8. What is title insurance used for?

A. To cover legal fees in real estate transactions

B. To protect buyers and lenders against title defects

C. To guarantee rental income from properties

D. To insure the physical structure of the property

Title insurance is designed primarily to protect buyers and lenders from financial losses due to defects in the title of a property. These defects can arise from various issues such as improper documentation, undisclosed liens, errors in public records, or claims by other parties asserting ownership rights. When purchasing a property, buyers want to ensure that the title is clear and that they are the rightful owners, free from any hidden encumbrances that could lead to disputes in the future. Title insurance provides peace of mind by covering legal fees and costs associated with defending against such claims, which is a critical aspect of securing the investment in real estate. This insurance functions by providing financial protection for the insured party if a title defect emerges after the property purchase. Therefore, it directly addresses the potential risks associated with legal ownership of the property, fulfilling its role in the real estate transaction process.

SAMPLE

9. What courses are required for the renewal of a salesperson's real estate license?

A. 3 hour core and 9 hours of electives

B. 18 hours of home study

C. Three 12 hour classes for listing, buying and ethics

D. There are no mandatory requirements

The requirement for renewing a salesperson's real estate license in New Hampshire includes completing specific educational courses. The correct answer is based on the state regulations that stipulate a combination of core and elective hours for continuing education. A salesperson must complete a minimum of 12 hours of continuing education every two years, which includes a mandatory 3-hour core course covering current real estate laws and practices, along with 9 hours of electives that pertain to various topics in the real estate industry. This structure ensures that professionals stay updated on essential knowledge and skills necessary for effectively serving clients and adhering to legal and ethical standards in real estate transactions. Other options do not align with the established requirements for license renewal. For instance, the total hours suggested in some alternatives do not reflect the balance of mandated core coursework coupled with electives, nor do they address the specific areas of focus required for maintaining a valid license. Thus, the combination of 3 core hours and 9 elective hours is both comprehensive and compliant with New Hampshire's regulations for real estate license renewal.

10. What is necessary for a salesperson to legally advertise another agent's property?

A. Approval from the property owner

B. Approval of the advertising format

C. Permission from the listing agent

D. Referral fees to the other agent

For a salesperson to legally advertise another agent's property, obtaining permission from the listing agent is a fundamental requirement. This permission ensures that the advertising is done ethically and within the framework of real estate regulations. The listing agent is the one who holds the exclusive rights to market the property and has developed a relationship with the property owner. Therefore, they can dictate how their property is represented and ensure that any advertising aligns with their strategy and guidelines. Having permission from the listing agent not only respects their professional rights but also maintains integrity in real estate practices, preventing confusion for buyers and ensuring clear communication about who represents the property in transactions. This relationship is crucial to maintain an organized and cooperative environment within the real estate industry, supporting effective teamwork among agents. While approval from the property owner may seem necessary, the listing agent typically acts on the owner's behalf concerning the marketing of the property. As such, securing consent from the listing agent is the key step. The other options relate to aspects of advertising but do not specifically address the legal requirement of obtaining the listing agent's consent before advertising the property.

SAMPLE

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://nhstaterealestate.examzify.com

We wish you the very best on your exam journey. You've got this!

SAMPLE