

CONTENTS

Eligibility/Examination Registration Process.....	1	What to Bring on Examination Day	4
General Information.....	1	Regulations at the Test Center	4
Prerequisites for Taking Examinations.....	1	Taking the Examination.....	4
Examination Locations and Schedule	2	Score Report	4
Examination Registration Procedures	2	If You Pass	4
Mail.....	2	If You Do Not Pass	5
Fax	2	Strength and Weakness Report	5
Hand-Delivery	2	Duplicate Score Report	5
Fees and Refund Policy	2	Copyrighted Exam Questions	5
Scheduling the Examination.....	2	Appeal Committee	5
Phone Scheduling	2	Applying for a License	5
Internet Scheduling.....	2	Exam Content Outlines and References.....	6
Rescheduling Your Appointment	3	National Real Estate Broker Exam	6
Absent or Late for the Exam Appointment.....	3	Real Estate Broker State-Specific Exam	7
Emergency Closing.....	3	New Mexico Area Testing Centers.....	9
Retaking an Examination.....	3	Eligibility/Examination Registration Form	11
Special Test Considerations	3	Broker License Application Form	13
Americans With Disabilities Act (ADA).....	3	Credit Card Authorization Form	17
English as a Second Language (ESL).....	3		

FOR MORE INFORMATION

Direct all questions and information requests about examinations to:

Thomson Prometric
1260 Energy Lane
St. Paul, MN 55108
800.894.0021
Fax: 800.347.9242
www.prometric.com/newmexico

Direct all questions and information requests about licensure to:

New Mexico Real Estate Commission
5200 Oakland Avenue NE, Suite B
Albuquerque, NM 87113
505.222.9820 • 800.801.7505
Fax: 505.222.9886
www.state.nm.us/nmrec

ELIGIBILITY/EXAMINATION REGISTRATION PROCESS

GENERAL INFORMATION

- Candidates must apply for eligibility with the New Mexico Real Estate Commission (Commission) by submitting the completed Eligibility/Examination Registration Form, exam fee and all required documentation to the Commission office. The Commission office will determine your eligibility for taking the examination(s).

New Mexico Real Estate Commission

5200 Oakland Ave. NE, Suite B
Albuquerque, NM 87113
505.222.9820 • 800.801.7505
Fax: 505.222.9886
www.state.nm.us/nmrec

- After the Commission has determined eligibility, candidates must schedule an appointment with Prometric to take their exams. All questions about examination information should be directed to:

Thomson Prometric

1260 Energy Lane
St. Paul, MN 55108
800.894.0021
Fax: 800.347.9242

www.prometric.com/newmexico

- *Note: Candidates must schedule the national and state-specific examinations to be taken at the same time.*
- Candidates will receive a Score Report at the end of each examination.
- Passing candidates must apply for licensure with the Commission by mailing the completed License Application Form, licensure fee, all required documentation outlined in the application, including your original Passing Score Report.. The Commission will determine your eligibility for licensure. All questions about licensure information should be directed to:

New Mexico Real Estate Commission

5200 Oakland Ave. NE, Suite B
Albuquerque, NM 87113
505.222.9820 • 800.801.7505
www.state.nm.us/nmrec

Prerequisites for Taking Examinations

To be eligible for licensure, candidates must meet qualifications established by New Mexico law and pass the designated examinations. School Certifications from each school must be submitted with the Eligibility/Examination Registration Form verifying the candidate has completed, or is in the process of completing, all required courses. If the candidate is in the process of completing a required course, the course must be completed before taking the examination.

Mandatory Pre-Licensing Courses	Credit Hours
Real Estate Principles and Practice*	30
Real Estate Law*	30
Broker Basics	30
Brokerage Administration	30

**Pre-licensing courses available by correspondence.*

Effective January 1, 2006 the New Mexico Real Estate Commission, Regulation and Licensing Department has established the following licensing requirements.

Associate Broker examination requirements:

- A. be at least 18 years of age;
- B. be a legal resident of the United States;
- C. if currently or previously licensed in another state, submit a certified license certificate or certified license history;
- D. candidates for the real estate broker's examination must document completion of 90 credit hours of commission approved real estate pre-licensing courses consisting of one 30 credit-hour course each in Real Estate Principles and Practice, Real Estate Law, and Broker Basics prior to taking the examination.

Qualifying Broker's license requirements:

- A. be at least 18 years of age;
- B. be a legal resident of the United States;
- C. if currently or previously licensed in another state, submit a certified license certificate or certified license history;
- D. have met one of the following requirements:
 1. individuals who did not hold a New Mexico real estate broker's license on or before December 31, 2005 shall have been actively engaged in real estate business as an associate broker or salesperson for at least two of the last five years immediately prior to making application for a New Mexico qualifying broker's license, shall document completion of 120 hours of commission approved pre-licensing courses, including one 30 credit-hour course each in Real Estate Principles and Practice, Real Estate Law, Broker Basics, and a Qualifying Broker or Brokerage Office Administration course, and shall have passed the Broker's examination.
 2. individuals who held a valid New Mexico real estate broker's license on or before December 31, 2005 shall have been actively engaged in the real estate business as an associate broker or salesperson for at least two of the last five years immediately prior to making application for a New Mexico qualifying broker's license, and shall document completion of a 30-hour Qualifying Broker or Brokerage Office Administration course designated by the commission; or

- individuals who automatically became associate brokers on January 1, 2006 pursuant to 16.61.31.8(D) shall have been actively engaged in the real estate business as an associate broker or salesperson for at least two of the last five years immediately prior to making application for a New Mexico qualifying broker's license, shall document completion of a 30-hour Qualifying Broker or Brokerage Office Administration course designated by the commission, and shall pass a real estate broker's examination approved by the commission.

Examination Locations and Schedule

The New Mexico area testing centers are located in:

Albuquerque	Monday – Friday
Santa Fe	Monday – Friday
Las Cruces	Three days a week One Saturday a month
Farmington	One session every other month
Roswell	One session every other month

Examination Registration Procedures

The Eligibility/Examination Registration Form, with the appropriate exam fee and all supporting documents, must be submitted to the Commission. The Eligibility/Examination Registration Form will expire one year from the date the Commission receives the original submission.

MAIL

Complete and mail the Eligibility/Examination Registration Form on Pages 11-12, the required documentation and exam fee to the Commission office. Payment may be made by personal check, company check, cashier's check, money order, Visa or MasterCard. Cash is not accepted when registering by mail. If your registration is incomplete, the Commission will contact you to advise you of any additional information or documents required. If you do not hear from the Commission within seven days, you may call Thomson Prometric to schedule your examination appointment. See *Scheduling the Examination*.

FAX

Complete and fax the Eligibility/Examination Registration Form and required documentation to the Commission office at 505.222.9886. You must include a signed credit card authorization form. If your registration is incomplete, the Commission will contact you to advise you of any additional information or documents required. If you do not hear from the Commission within seven days, you may call Thomson Prometric to schedule your examination appointment. See *Scheduling the Examination*.

HAND-DELIVERY

Complete and hand-deliver the Eligibility/Examination Registration Form, required documentation and exam fee to the Commission office. If your registration is incomplete, the Commission will contact you to advise you of any additional information or documents required. If you do not hear from the Commission within seven days, you may call Thomson Prometric to schedule your examination appointment. See *Scheduling the Examination*. Payment that is hand-delivered may be made by cash, personal check, company check, cashier's check, money order, Visa or MasterCard.

FEES AND REFUND POLICY

ALL EXAMINATION FEES ARE NONREFUNDABLE.

Scheduling the Examination

Please note that you must pass both the national and state-specific exams within 90 days of passing the first exam. If you do not pass both exams within 90 days of passing the first exam, you must retake both exams.

IMPORTANT: You must register with the Commission and be approved by the Commission before you can call Thomson Prometric to schedule an appointment for your examinations (see *Examination Registration Procedures*). If you do not hear from the Commission within the time specified (depending on your method of registering), you can assume eligibility has been approved and you may call Thomson Prometric to schedule your examination appointment.

First-time candidates must schedule one appointment to take both the national and state-specific exams at the same appointment. Schedule your exams early to get your preferred site and time.

Testing generally does not occur on the following holidays:

- New Year's Day
- Independence Day
- Martin Luther King Jr. Day
- Labor Day
- Presidents' Day
- Thanksgiving Day
- Memorial Day
- Christmas Day

Note: Be advised that there may be additional state-observed holidays in the state where you schedule your exam appointment.

PHONE SCHEDULING

Call Thomson Prometric at 800.894.0021 Monday through Friday between 6 a.m. and 7 p.m. (Mountain time) to make your appointment.

INTERNET SCHEDULING

You may schedule your examination online using our Internet Registration Service at www.prometric.com/newmexico. To use this service on our Web site, follow these easy steps:

- Access www.prometric.com/newmexico.
- Under **Real Estate**, click on **Brokers License Exams**.
- Click on **Register for an exam** and follow the prompts.

- **Schedule** your exam appointment.

If you require ADA or ESL accommodations, see *Special Test Considerations* on Page 3.

RESCHEDULING YOUR APPOINTMENT

To avoid a rescheduling fee, you must call Thomson Prometric at 800.894.0021 at least **three full business days** before the day of your scheduled appointment. **Before you call to reschedule**, refer to the chart below to determine the *last day* you may call without paying a \$40 rescheduling fee.

Note: the schedule below does not include holidays.

If your exam is on:	Call by 7:00 p.m. (Mountain time) the previous: <i>(This is the last day you may call without paying a rescheduling fee.)</i>
Monday	Tuesday
Tuesday	Wednesday
Wednesday	Thursday
Thursday	Friday
Friday	Monday

If you do not allow at least three full business days to reschedule your appointment, as described above, you will be required to pay a \$40 rescheduling fee prior to choosing another appointment. To pay this fee using Visa or MasterCard and reschedule your appointment, call 800.894.0021. You may also pay the \$40 rescheduling fee by mailing a cashier’s check, company check, money order, or Visa or MasterCard information.

ABSENT OR LATE FOR THE EXAM APPOINTMENT

If you miss your appointment, or arrive late for your appointment and are not allowed to test, you will need to reschedule your exam and pay a \$40 rescheduling fee prior to choosing another appointment. This fee will allow you to use your original exam registration.

If you are unable to attend your scheduled examination due to illness or emergency, call 800.894.0021. Under certain circumstances, the fee to reschedule may be waived. Thomson Prometric reserves the right to request documentation to support any illness or emergency claim.

EMERGENCY CLOSING

In the event of severe weather or an emergency, Thomson Prometric may need to cancel scheduled exams. We will attempt to contact you by phone or e-mail; however, you may check for test site closures by calling Thomson Prometric. If the site is closed, your exam will be rescheduled without a rescheduling fee.

If a test center is open for testing and you choose not to appear for testing, you will be required to pay a \$40 rescheduling fee prior to choosing another appointment.

RETAKE AN EXAMINATION

To retake an exam, you must register for your retake with Thomson Prometric (not with the Commission) and pay another exam fee. You can register and schedule for your retake exam by:

Phone: Call Thomson Prometric at 800.894.0021 and pay the exam fee with Visa or MasterCard.

Mail: Submit the retake application with the exam fee by mail. After registering, you may call Thomson Prometric at 800.894.0021 to schedule your exam.

Fax: Fax the retake application to Thomson Prometric at 800.347.9242 and pay the exam fee with Visa or MasterCard. After registering, you may call Thomson Prometric at 800.894.0021 to schedule your exam.

Hand-delivery: The retake application may be hand-delivered to the Albuquerque or Santa Fe Thomson Prometric offices. Payment for hand-delivery may be made by cash, personal check, company check, cashier’s check, money order, Visa or MasterCard.

Note: You must pass both the national and state-specific exams within 90 days of passing the first exam. If you do not pass both exams within 90 days, you must retake both exams.

Special Test Considerations

AMERICANS WITH DISABILITIES ACT (ADA)

If you require testing accommodations under the *Americans with Disabilities Act* (ADA), please call 888.226.9406 to obtain an Accommodation Request Form. Reasonable testing accommodations are provided to allow candidates with documented disabilities, which are recognized under the *Americans with Disabilities Act* (ADA), an opportunity to demonstrate their skills and knowledge. Candidates should submit professional documentation of the disability with their application to help determine the necessary testing arrangements. Thirty days’ advance notice is required for all testing arrangements. There is no additional charge for these accommodations.

ENGLISH AS A SECOND LANGUAGE (ESL)

If English is not your primary language, you may qualify for additional time for your test. Contact Thomson Prometric at 800.894.0021 for information. You will be required to provide 1) a personal letter and 2) a letter from your employer (on company letterhead) or school (on school letterhead) requesting ESL authorization.

Thomson Prometric may extend the exam time limit to time and one half per exam. You will be notified by mail of this approval and should not schedule your exam until you have received the approval letter.

If you receive ESL authorization, the use of a bilingual dictionary will be permitted for the exam.

The dictionary cannot be shared with any other candidate. No notes are allowed in the dictionary. The test administrator may

inspect the translation dictionary before and after the examination.

What to Bring on Examination Day

You should arrive 15 minutes before your scheduled exam time. Candidates should bring the following items to the examination:

- Official, current and valid government-issued picture identification with signature (i.e., driver's license, passport, state identification or military identification). The name on your identification must be the same name on your registration. Candidates without proper identification will not be allowed to take the exam.
- A nonprogrammable calculator.

Regulations at the Test Center

To ensure that all candidates are tested under equally favorable conditions, the following regulations and procedures will be observed at each test center:

- Candidates may not use any reference materials, papers or study materials at the test center. **No** paper of any sort may be brought to the examination. Scratch paper will be provided at the exam site. Candidates found with these or any other aids will not be allowed to continue the exam and their answers will not be scored.
- Candidates may bring a calculator or slide rule to the test center. Only silent, handheld, solar or battery-operated, nonprogrammable calculators (without paper tape-printing capabilities or alphabetic keypads) may be used.
- Thomson Prometric is not responsible for items left in the reception area of the testing center. While lockers are provided, it is recommended that personal items not be brought into the testing center. Note the following:
 - Electronic equipment such as cameras, tape recorders, cell phones, PDAs and pagers are not permitted in the testing room.
 - Other personal items not allowed in the testing room include digital watches, outerwear that is not being worn while testing (sweater, jacket, etc.), brief cases, purses, etc.
 - Pocket items (wallet, keys, etc.) must remain in candidate's pocket during testing or placed in a locker.
- Weapons are not allowed at the testing center.
- Candidates that leave the examination room while an exam is in progress must sign out/in on the roster and will lose exam time.
- **No** talking or smoking will be permitted in the examination room.

- **No** food or drinks will be allowed in the exam room.
- Candidates will not be permitted to use any electronic devices or phones during breaks.
- No guests, visitors or family members are allowed at the testing center.
- Cheating on exams is a violation of Adm. Code 14.6.3.8.F(7). Candidates who engage in any kind of misconduct or disruptive or offensive behavior, such as giving or receiving help, taking part in an act of impersonation, removing test materials or notes from the testing room, rude or offensive language, or behavior that delays or interrupts testing, may be dismissed from the examination. A report will be made to the licensing authorities.

Failure to follow any of these security procedures may result in the disqualification of your examination. Thomson Prometric reserves the right to audio and videotape any examination session.

Taking the Examination

Exams are given by computer at any Thomson Prometric testing center. You do not need computer experience or typing skills to take the exam. You will be given a personalized introduction to the testing system and an introductory lesson, which takes place on the computer, before you start your exam.

Your exam may contain up to five additional questions that will not be scored. These are used to gather statistical information on the questions before they are added to an actual examination for your state. These questions, distributed throughout the exam, will not be counted for or against you in your final examination or take any time away from your allotted testing time.

Score Report

The passing score for each exam is at least 75 percent. You will receive a printed photo-bearing Score Report at the end of your exam. The report indicates your overall score and whether you passed or failed. Notify Thomson Prometric and the Commission of any address change.

IF YOU PASS

Candidates who have passed both the national and state-specific exams must complete and submit the License Application Form with all required documentation and license fee(s) to the New Mexico Real Estate Commission. License applicants must apply within six months of passing their final examination. See *Applying for a License* on Page 5. **Note:** The Commission requires your original Passing Score Report.

IF YOU DO NOT PASS

Candidates who do not pass an examination must submit a retake application to Thomson Prometric and pay another exam fee. See *Retaking an Examination* on Page 3. **Note:** *You must pass both the national and state-specific exams within 90 days of passing the first exam. If you do not pass both exams within 90 days, you must retake both exams.*

To ensure confidentiality, scores will not be disclosed over the phone or faxed.

STRENGTH AND WEAKNESS REPORT

For candidates who do not pass, a Strength and Weakness Report will be included on the Score Report. This information is a useful guide to pinpoint where you need to concentrate your study efforts before retaking the examination. This report indicates how many questions are included in each subject area and how many questions you answered correctly in each area.

DUPLICATE SCORE REPORT

To obtain a duplicate score report call Thomson Prometric at 800.894.0021. There is a **\$10** fee per score report.

Copyrighted Exam Questions

All test questions are the copyrighted property of Thomson Prometric. It is forbidden under federal copyright law to copy, reproduce, record, distribute or display these test questions by any means, in whole or in part, without our written permission. Doing so may subject you to severe civil and criminal penalties, including up to five years in prison and/or a \$250,000 fine for criminal violations.

Appeal Committee

Our goal is to provide a quality examination and pleasant testing experience for every candidate. If you are dissatisfied with either and believe we can correct the problem, we would like to hear from you. We provide an opportunity for general comments at the end of your exam. Your comments will be reviewed by our personnel, but you will not receive a direct response.

If you are requesting a response concerning the exam content, registration, scheduling or test administration (testing site procedures, equipment, personnel, etc.), please submit an appeal in writing. Your appeal letter must include your name, Social Security number, exam title, date tested and details of your concern including all relevant facts, your signature and return address. Mail your appeal letter to:

Thomson Prometric
ATTN: Appeal Committee
1260 Energy Lane
St. Paul, MN 55108

The Appeal Committee will review your concern and send you a written response within 10 business days of receipt. **Faxed appeals will not be accepted, as an original signature is required.**

Applying for a License

You may apply for a license with the New Mexico Real Estate Commission after you have passed both the national and state-specific examinations. To apply for a license, you must complete and submit the *License Application Form* on Page 13, required documentation and appropriate fee(s) to the New Mexico Real Estate Commission. **License applicants must apply within six months of passing their final examination.**

Note: *You must pass both the national and state-specific exams within 90 days of passing the first exam. If you do not pass both exams within 90 days, you must retake both exams.*

The Real Estate Commission requires all applicants previously or currently licensed in real estate in another state to submit a certified license history from that state's licensing agency.

All active real estate Brokers are required to have errors and omission insurance. Licensees may obtain insurance from the Real Estate Commission's contract insurance carrier, Rice Insurance Services, or from another carrier provided the carrier certifies to the Commission that their coverage is equivalent to the contract program. Enrollment information may be obtained from the Commission office or from Rice Insurance Services by calling 800.637.7319.

License applicants will have 30 days from the date of their initial application to provide proof of errors and omissions insurance to the Commission. Rice Insurance Services will provide the Commission with proof of coverage for those applicants who obtain insurance from Rice Insurance Services. Applicants who obtain insurance from other insurance providers will be required to provide the Commission with a certification of equivalent coverage signed by a representative of the insurance company.

Broker's license applicants who intend to purchase errors and omissions insurance from companies other than Rice Insurance Services are required to file with the Commission a Certification of Equivalent Individual Coverage. License applicants who intend to work for a brokerage that has a group insurance policy with an insurance company other than Rice Insurance Service should ask their Qualifying Broker to add their name to the Brokerage's Certification of Equivalent Group Coverage on file with the Commission.

EXAM CONTENT OUTLINES AND REFERENCES

The following content outlines indicate the percentage of exam questions in each area of Real Estate Broker national and state-specific examinations. Successful completion of the examination depends on a thorough understanding of state and federal law and accepted principles and practices of the real estate profession.

Answers to examination questions are based on information found in one or more of the sources listed under each reference section. This does **NOT** imply that you must own all of the reference books or that they are the only references you might find valuable as study material.

National Real Estate Broker Exam

The examination is closed-book and consists of 80 questions. Examination questions are multiple-choice with one correct answer and three incorrect responses. You will have two hours to complete the exam. The content outline below shows the subject areas that will be tested.

<u>Outline</u>	<u>Percentage</u>
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I. Business Practice and Ethics	20%
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- A. Professional Ethics
 - 1. Responsibility to the Public
 - 2. Unlawful Practice of Law
- B. Federal Requirements for Real Estate
 - 1. Fair Housing and Anti-Discrimination
 - 2. Violations of *Sherman Antitrust Act*
 - 3. Advertising
 - 4. RESPA
 - 5. Telemarketing Laws
- C. Risk Reduction
- D. Trust Accounts

II. Agency	15%
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- A. Principles of Agency
 - 1. Creating Agency
 - 2. Liabilities
 - 3. Types and Functions of Agency
 - 4. Roles and Responsibilities of Licensee
 - 5. Terminating Agency
- B. Listing Procedures
 - 1. Disclosing Agency Relationships
 - 2. Evaluating Property
 - 3. Disclosing of Property Conditions
 - 4. Fraud and Misrepresentations
- C. Listing Agreement
 - 1. Legal Requirements
 - 2. Fiduciary Duties and Representations
 - 3. Terminating Listing
 - 4. Types of Listings
- D. Buyer Representation
 - 1. Disclosing Agency Relationships
 - 2. Evaluating Property
 - 3. Disclosing Property Conditions
 - 4. Fraud and Misrepresentation

III. Property	15%
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- A. Characteristics of Property
 - 1. Legal Description of Property
 - 2. Interpreting Physical and Economic Characteristics of Property
 - 3. Real and Personal Property
- B. Ownership and Estates in Land
 - 1. Title
 - 2. Types of Ownership
 - 3. Types of Estates
- C. Government Restrictions
 - 1. Governmental Powers (Police, Eminent Domain, Escheat, Taxation)
 - 2. Environmental Regulations and Disclosures
 - 3. Water Rights
- D. Private Restrictions
 - 1. Voluntary and Involuntary Liens
 - 2. Covenants, Conditions and Restrictions
 - 3. Other Encumbrances

IV. Property Valuation and the Appraisal Process	8%
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- A. Principles of Valuation
 - 1. Value, Price and Cost
 - 2. Characteristics of Property That Affect Value
 - 3. Principles of Value
- B. Determining Value
 - 1. Direct Sales Comparison (Market Data) Approach
 - 2. Cost Approach
 - 3. Income Approach
- C. Appraisal
 - 1. Purpose and Use of Appraisal
 - 2. Role of Appraiser
 - 3. Role of Licensee in Property Valuation

V. Real Estate Sales Contracts	15%
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- A. Purpose, Scope, and Elements of Real Estate Sales Contracts
- B. Offers and Counteroffers
 - 1. Purpose of Offer and Counteroffer
 - 2. Valid Methods of Communicating Offers
- C. Earnest Money
- D. Completion, Termination, Breach

VI. Financing 12%

- A. Essentials of Financing
 - 1. Mortgages, Deeds of Trust, and Their Provisions
- B. Lender Qualification Process
 - 1. Pre-Qualifying Considerations
 - 2. Loan Repayment
- C. Types of Financing
 - 1. Loan Programs, Their Benefits and Requirements
 - 2. Financing Methods
- D. Foreclosure and Alternatives
- E. Pertinent Laws and Regulations
 - 1. *Truth-in-Lending Act/Regulation Z*
 - 2. *Equal Credit Opportunity Act*
 - 3. *Fair Credit Reporting Act*

VII. Closing/Settlement and Transferring Title 10%

- A. Settlement Statement and Other Critical Documents
- B. Closing/Settlement
 - 1. Purpose of Closing/Settlement
 - 2. Legal Requirements
- C. Transferring Title
 - 1. Methods of Transfer (Includes Deeds)
 - 2. Recording Title
- D. Title Insurance
 - 1. Purpose and Scope of Title Insurance
 - 2. Essentials of Title Insurance

VIII. Property Management 5%

- A. Leases
- B. Property Manager and Owner Relationships
- C. Income Property Concepts
- D. Trust Accounts

REFERENCES

1. *Agency Relationships in Real Estate*, Second Edition, 1994, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
2. *Doing the Right Thing: A Real Estate Practitioners Guide to Ethical Decision Making*, Third Edition, 2001, South-Western Educational Publishing/Thomson Learning, 10650 Toebben Drive, Independence, KY 41051, ecatalog.thomsonlearning.com.
3. *Mastering Real Estate Math*, Seventh Edition, 2002, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
4. *Modern Real Estate Practice*, Sixteenth Edition, 2003, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.

5. *Real Estate Ethics, Good Ethics = Good Business*, Third Edition, 1995, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
6. *Real Estate Law*, Fifth Edition, 2003, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
7. *Real Estate Principles*, Ninth Edition, 2003, South-Western Educational Publishing/Thomson Learning, 10650 Toebben Drive, Independence, KY 41051, ecatalog.thomsonlearning.com.
8. *The Essentials Of Real Estate Finance*, Tenth ED Edition, 2000, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.
9. *The Essentials of Practical Real Estate Law*, Third Edition, 2004, Thomson Delmar Learning, P.O. Box 6904, Florence, KY 41022, www.delmarlearning.com.
10. *The Language of Real Estate*, Fifth Edition, 2000, Dearborn Financial Publishing, 30 South Wacker Drive, 25th Floor, Chicago, IL 60606-1719, www.dearbornRE.com.

Real Estate Broker State-Specific

Note: This exam includes 2005 legislative amendments and accompanying rules. For information on legislative amendments and accompanying rules, please check the Web at www.state.nm.us/nmrec.

The examination is closed-book and consists of 40 questions. Examination questions are multiple-choice with one correct answer and three incorrect responses. You will have one hour to complete the exam. The content outline below shows the subject areas that will be tested.

<u>Outline</u>	<u>Percentage</u>
I. Real Estate Commission	15%
A. Purposes, Powers, and Duties	
B. Investigations, Hearings, and Appeals	
C. Authority for Disciplinary Actions	
1. License Suspension and Revocation	
2. Disapproval of Applications and Appeals of Disapproval	
D. Audit of Records	
E. License Law Violations, Investigations, and Penalties	
II. Licensing Requirements	10%
A. Activities Requiring License	
B. Types and Scopes of License	
C. Prerequisites, Qualifications, Procedures for Licensure (Includes Education Requirements)	
D. Maintenance and Renewal (Includes Continuing Education Requirements)	

E. Change in License or License Status

III. Real Estate Commission Regulations 30%

- A. Qualifying Broker Responsibilities
- B. Qualifying Broker/Associate Broker Relationships
- C. Employment and Independent Contractor Agreements
- D. Trade Name Registration/ Place of Business
- E. Advertising and Signage
- F. Trust Accounts/Record Keeping
- G. Property Management

IV. Broker Duties, Disclosure, and Brokerage Relationships 30%

- A. Honesty and Reasonable Care
- B. Compliance with Local, State, and Federal Laws
 - 1. Fair Housing Laws
 - 2. Anti-Discrimination Laws
- C. Performance of Oral and Written Agreements
- D. Assistance to Clients and Customers in Completing Transactions
- E. Acknowledgement when Outside Expertise is Needed
- F. Prompt Accounting for Money and Property
- G. Disclosure of Other Brokerage Relationships
 - 1. Material Interest of Business, Personal, or Material Facts
- H. Disclosure of Adverse Material Facts
- I. Maintenance of Confidential Information
- J. Brokerage Relationships

V. Additional State-Required Topics 15%

- A. Child Support Enforcement
- B. *New Mexico Real Estate Recovery Fund Act*
- C. Time Share
- D. County Subdivisions
- E. New Mexico Property Taxes
- F. New Mexico Mechanic's Liens
- G. Community Property
- H. Stigmatized Property

REFERENCES

1. *New Mexico Real Estate License Law, Real Estate Commission Rules, and Time Share Act*, 2006 Edition, New Mexico Real Estate Commission, 5200 Oakland Avenue NE, Albuquerque, NM 87113, rld.state.nm.us/b&c/recom.
2. *New Mexico Mechanics' and Materialmen's Liens (NM Statutes Annotated 1978: Chapter 48, Article 2)*, New Mexico Real Estate Commission, 5200 Oakland Avenue NE, Albuquerque, NM 87113, rld.state.nm.us/b&c/recom.
3. *New Mexico Human Rights Act (NM Statutes Annotated 1978: Chapter 28, Article 1)*, New Mexico Real Estate Commission, 5200 Oakland Avenue NE, Albuquerque, NM 87113, rld.state.nm.us/b&c/recom.
4. *New Mexico Subdivision Act (NM Statutes Annotated 1978: Chapter 47, Article 6)*, New Mexico Real Estate Commission, 5200 Oakland Avenue NE, Albuquerque, NM 87113, rld.state.nm.us/b&c/recom.

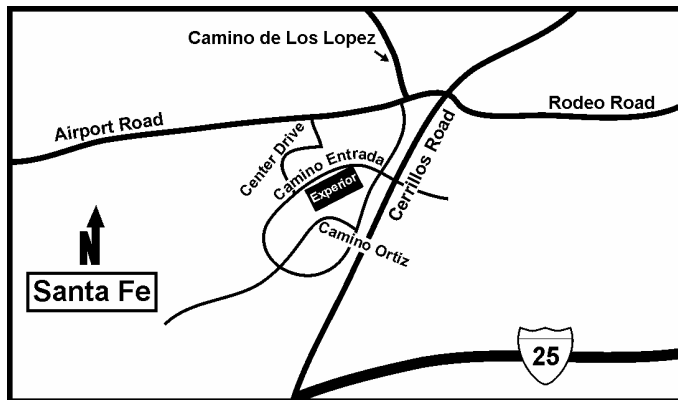
NEW MEXICO AREA TESTING CENTERS

Testing center locations are subject to change. If you are unfamiliar with the area in which a testing center is located, please contact the testing center during testing hours for directions. Please direct any other questions to Thomson Prometric at 800.894.0021. Daily testing will be available in Santa Fe and Albuquerque, with additional testing three days per week and one Saturday per month in Las Cruces. You may also test once every other month in Farmington and Roswell. Please call Thomson Prometric for exact schedules, center directions and addresses. Note also that testing is available on at least a weekly basis in Prometric's testing centers in Tucson and Phoenix, Ariz. Maps are not drawn to scale.

Santa Fe Area Center

Santa Fe Commerce Center
2538 Camino Entrada, Suite 204
Santa Fe, NM 87507
Phone: 505.473.9351

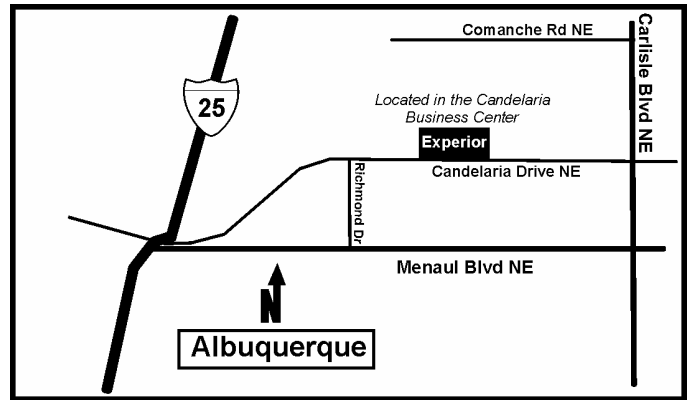
Take I-25 to Exit 278A for Cerrillos Road. Turn onto Cerrillos Road and go northeast for about two miles to Camino Entrada. Take a left onto Camino Entrada and go northwest to the testing center. The center will be on your left, at 2538 Camino Entrada, Suite 204.



Albuquerque Area Center

Candelaria Business Center
3311 Candelaria Drive NE, Suite C
Albuquerque, NM 87107
Phone: 505.884.4303

The testing center is located on the north side of the Candelaria Business Center complex, on the north side of Candelaria Drive, between Carlisle and Richmond. From I-25, take the Menaul/Candelaria exit and go east on Candelaria. Turn left into the business complex and go around to the back (north) to Suite C. Parking is available around the building.



Las Cruces Area Center

3291 Del Rey Blvd., Suite 4
Las Cruces, NM 88012
Phone: 505.382.4442

From I-25 going east on Highway 70 (Bataan Memorial East), take the Del Rey Blvd. Exit to the right. Then, head north under the underpass onto Del Rey Blvd. Turn left (west) for the testing center.

From Alamogordo on Hwy. 70, take the Del Rey Blvd Exit. Turn right onto Del Rey Blvd., then left (west) to the testing center.

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NEW MEXICO REAL ESTATE
Eligibility/Examination Registration Form
Read the Candidate Information Bulletin before completing this form

<i>For Commission Use Only:</i>	
Date Approved: _____	
By: _____	
<input type="checkbox"/> AB	<input type="checkbox"/> QB

Candidate Information			
Last Name (include suffix: i.e., Jr., Sr., III)	First Name	Middle Name or Initial	Social Security Number
Street Address (including apartment number or P.O. Box, if applicable)			
City, State, ZIP Code			
Daytime Phone (including area code)	Evening Phone (including area code)	E-mail Address	Date of Birth

Are you a legal resident of the United States? Yes No

Note: You must be a legal resident of the United States to qualify to take the Broker exam.

ADA Accommodations/ESL Assistance

1. Are you applying for ADA accommodations? Yes No

If you check "Yes," provide required documentation. See "Special Test Considerations" section on Page 3.

2. Are you applying for ESL assistance? Yes No

If you check "Yes," provide required documentation. See "Special Test Considerations" section on Page 3.

BROKER QUALIFICATIONS

Must be at least 18 years of age, a legal resident of the United States and have met one of the following requirements (check one box):

Associate Broker:

- 1. Must have completed 90 hours of classroom instruction in approved real estate courses (30 Hrs - Real Estate Law; 30 Hrs - Real Estate Principles and Practice; 30 Hrs - Broker Basics). Provide the required documentation as indicated in items a, b and c under the *Real Estate Course Verification* section.

Qualifying Broker:

- 2. Must have been active as a New Mexico or other jurisdiction licensed salesperson or associate broker for at least two of the last five years immediately prior to making application for a Qualifying Broker's license and completed 120 hours of classroom instruction in approved real estate courses (30 Hrs - Real Estate Law; 30 Hrs - Real Estate Principles and Practice; 30 Hrs - Broker Basics; 30 Hrs - Brokerage Office Administration). Provide the required documentation as indicated in items a, b, c and d under the *Real Estate Course Verification* section.
- Qualifying Broker Certifying Statement:** I certify that the person named on this application has been affiliated with my Brokerage as a licensed real estate salesperson or associate broker and has performed actively during the period indicated beside my signature.

<i>Dates Covered From</i>	<i>To</i>	<i>Qualifying Broker Signature</i>
_____	_____	_____
_____	_____	_____
_____	_____	_____

ELIGIBILITY/REGISTRATION FORM CONTINUES ON NEXT PAGE.

REAL ESTATE COURSE VERIFICATION

I am attaching documentation to verify I have met the following requirements (check appropriate boxes):

- a. 30 Hrs - Real Estate Law
- b. 30 Hrs - Real Estate Principles and Practice
- c. 30 Hrs - Broker Basics
- d. 30 Hrs – Brokerage Office Administration
- e. Letter of pre-licensing course waiver from New Mexico Real Estate Commission Education Administrator
- f. I am in the process of completing required course; Letter of Intent from real estate school attached.

AFFIDAVIT

I hereby certify that all of the information contained in this completed form is true and correct to the best of my knowledge and belief.

Signature of Applicant

Date

Examination Fee is \$95.

Examination registration fees are nonrefundable.

Payment may be made by personal check, company check, cashier's check, money order, Visa, or MasterCard, payable to the New Mexico Real Estate Commission.

Send this completed form with the \$95 fee and all required documentation to:

New Mexico Real Estate Commission
5200 Oakland Ave. NE, Suite B
Albuquerque, NM 87113

To pay by credit card, complete the authorization form on Page 17.

By filing this registration, you assume full responsibility for your exam selection. If you are unsure which exam is necessary for the license type you are seeking, resolve this question before you register.



NM REAL ESTATE BROKER License Application Form

Read the Candidate Information Bulletin before completing this form

For Commission Use Only:
 License No: _____
 Date Approved: _____

Candidate Information		
Last Name (include suffix: i.e., Jr., Sr., III)	First Name	Middle Name or Initial
Residential Mailing Address, City, State, ZIP Code		
Location Address, City, State, ZIP Code (if different than residential mailing address – do not use P.O. Box; attach map if needed)		
Residential Phone Number (including area code)	E-mail Address	
Social Security Number	Birth Date	

Are you an **active New Mexico associate broker applying for a Qualifying Broker's license?**

No Yes *If you answer yes, return your original associate broker's license with this application.*

Indicate the license status you are seeking (select only one):

Qualifying Broker Associate Broker Inactive

Statement by prospective broker:

I, the undersigned, hereby request that an active real estate license be issued to my firm for the person named on this application.

Name of Company: _____

Company Telephone Number: _____

Location Address: _____

Mailing Address: _____

City: _____ State: _____ ZIP: _____

Signature of Qualifying Broker (or signature of applicant applying as an individual broker)

Printed Name of Qualifying Broker

License Number

Signature of Authorized Corporate Officer (if applicable)

Complete this next section of the application by answering "Yes" or "No" to all questions below. If you answer "Yes" to any of the first six questions, attach documentation as described in the Application Instructions on Page 14. If you answer "No" to questions seven or eight, please see Page 15 for additional information.

Yes No

- 1. Have you ever had a complaint filed against you with a real estate licensing agency of this or any other state or jurisdiction? If you answered "Yes," attach relevant documentation.
- 2. Have you ever had a real estate license denied, suspended, or revoked? If you answered "Yes," attach relevant documents.
- 3. Have you been convicted in any court of competent jurisdiction in New Mexico or elsewhere of a felony or any offense involving moral turpitude?
- 4. Are you now, or have you at any time during the past five years been named as a defendant in any lawsuits pertaining to any real estate transaction? If you answered "Yes," attach relevant documentation.
- 5. Are you currently licensed or have you ever been licensed as a real estate salesperson/associate broker in New Mexico or any other state or jurisdiction? If you answered "Yes," indicate which type of license and list state(s) and attach license histories from the state(s).
- 6. Do you have errors and omissions insurance coverage meeting the requirements of Part 5 of the Real Estate Commission Rules? If you answered "Yes," please attach a Certificate of Insurance to this application. If you answered "NO," please see the reverse side of this form for additional information.
- 7. Are you a legal resident of the United States?
(You must be a legal resident of the United States to qualify for a real estate broker's license.)
 If you answered "NO," please see the reverse side of this form for additional information.

AFFIDAVIT: I hereby certify that all of the information contained in this License Application Form is true and correct to the best of my knowledge and belief. **Do not sign until you have completed this License Application Form in its entirety.**

Signature of Applicant

Date

LICENSE FEE IS NONREFUNDABLE

Application Instructions

If you answered “Yes” to any one of the first five questions on the reverse side of this application, locate the number(s) you answered “Yes” to below and determine supporting documentation that should accompany your application for licensure.

1. Prepare and send a written account explaining the details of the complaint and its resolution.
2. Provide a letter from the licensing agency detailing the events that caused action to be taken against your license, including dates and locations and any subsequent reinstatement of your license.
3. Provide the following documentation:
 - a. A copy of the judgment and sentence.
 - b. A written account of your part in the alleged offense and its current status.
 - c. If applicable, a letter from your parole officer detailing your degree of rehabilitation.
4. Submit the following documentation:
 - a. Copies of all relevant civil complaints in which you have been named as a defendant.
 - b. Copies of the final dispositions of subject lawsuits (if available), or a written explanation of the current status of complaint(s) against you.
5. Request from the state(s)/jurisdiction(s) (other than New Mexico) in which you currently or previously practiced, a certified license history which is to be included with this information when you submit your New Mexico Real Estate Broker License Application packet.

If you answered “No” to questions six or seven on the reverse side of this application, locate the number(s) you answered “No” to below for additional information.

6. All active real estate Associate Brokers and Qualifying Brokers are required to have errors and omissions insurance meeting the requirements of part 5 of the Real Estate Commission Rules and Regulations. **Licenses who do not provide proof of coverage within 30 days of making application for licensure will be placed on inactive status until such proof is provided.** Insurance may be obtained through the Commission’s contract insurance carrier, Rice Insurance Services, or another insurance carrier that certifies to the Commission that the coverage provided is equivalent to the contract program. Enrollment forms and other information may be obtained from the Commission office, the Commission Web site at www.state.nm.us/nmrec or from Rice Insurance Services at 800.637.7319.
7. If you answered “No” to question 7, you are not eligible for licensure. You must be a legal resident of the United States to qualify for a real estate broker’s license.

AFFIDAVIT OF CHARACTER: You must have the Affidavit of Character section below completed by two individuals *or* include character reference letters from two individuals who own property in the county in which you reside or do business.

Affidavit of Character	
In signing this application, I affirm to the best of my knowledge and belief that the individual named on this form is of good moral character and is honest and trustworthy. I further certify that I am a property owner in the county of residence or place of business of the individual named herein.	
_____ Name (Print)	_____ Name (Print)
_____ Name (Signature)	_____ Name (Signature)
_____ Street Address	_____ Street Address
_____ City State ZIP	_____ City State ZIP

LICENSE FEE IS NONREFUNDABLE

ADDITIONAL INFORMATION REQUIRED

- 1) **License History:** Provide a certified license history if you are currently or have previously been licensed in another state or jurisdiction.
- 2) **Documentation of Education:** Include your official transcripts or original Form REC-134 as proof of completion of educational requirements. Note that Letter of Intent is NOT a certificate.

CONSENT TO LAWSUITS

If the address on this application is not within the State of New Mexico, by virtue of my signature below, I do hereby irrevocably consent that lawsuits and actions may be commenced against me in the proper courts of the State of New Mexico.

Signature of Applicant

Date

CONSENT TO EXAMINE AND AUDIT TRUST, TRUSTEE OR ESCROW ACCOUNTS

I, _____, being a licensed New Mexico real estate broker or broker applicant hereby authorize the New Mexico Real Estate Commission or its authorized representative to examine and audit the trust, trustee, or escrow account maintained by me, and further authorize any bank or recognized depository to permit such examination and audit. This consent and authorization is made personally and/or corporately.

Signature of Applicant

Date

Broker Fee Schedule	Fee	Amount
New License Application	\$240 (*) (**)	
License Renewal	\$240 (*)	
Transfer Fee	\$20	
License History	\$25	
Real Estate License Law and Commission Rules	\$10	
Licensee List	\$20	
Other		
	TOTAL	\$

* The license fee is based on a three-year cycle.

** If you are currently licensed as an associate broker and you are applying for a qualifying broker's license, the unused portion of your associate broker license fee will be applied to your qualifying broker's license. Upon renewal of your license, you will be assessed the full three-year license fee of \$240.

Payment may be made by personal check, company check, cashier's check, money order, Visa, or MasterCard, payable to the New Mexico Real Estate Commission. To pay by credit card, complete the authorization form on Page 17.

Send this completed form with the appropriate fees listed below and all required documentation to:

New Mexico Real Estate Commission
5200 Oakland Ave. NE, Suite B
Albuquerque, NM 87113

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CREDIT CARD AUTHORIZATION FORM
for Examination Fees

Examination Fee is \$95. Examination registration fees are nonrefundable.

Note: Providing this credit card information constitutes your written authorization to the Commission to charge Real Estate Examination fees to your credit card.

Send this completed form with all required documentation to:

New Mexico Real Estate Commission
5200 Oakland Ave. NE, Suite B
Albuquerque, NM 87113

To pay by credit card, complete the information below.

Card Type (Circle) Visa MasterCard	Card Number	Expiration Date (month/year)
Name of Cardholder (Print)	Signature of Cardholder	

The Commission staff is not authorized to accept credit card information over the phone. If paying with Visa or MasterCard, you may fax the completed Eligibility/Examination Registration Form and the signed credit card authorization form to the New Mexico Real Estate Commission at 505.222.9886.

CREDIT CARD AUTHORIZATION FORM
for Broker License Fees

License fees are nonrefundable.

Note: Providing this credit card information constitutes your written authorization to the Commission to charge Real Estate Commission services and products listed below to your credit card.

Send this completed form and all required documentation to:

New Mexico Real Estate Commission
5200 Oakland Ave. NE, Suite B
Albuquerque, NM 87113

To pay by credit card, complete the information below.

Card Type (Circle) Visa MasterCard	Card Number	Expiration Date (month/year)
Name of Cardholder (Print)	Signature of Cardholder	

The Commission staff is not authorized to accept credit card information over the phone. If paying with Visa or MasterCard, you may fax the completed License Application Form and the signed credit card authorization form to the New Mexico Real Estate Commission at 505.222.9886.

Broker Fee Schedule	Fee	Amount
New License Application	\$240 (*) (**)	
License Renewal	\$240 (*)	
Transfer Fee	\$20	
License History	\$25	
Real Estate License Law and Commission Rules	\$10	
Licensee List	\$20	
Other		
TOTAL		\$

* The license fee is based on a three-year cycle.

** If you are currently licensed as an associate broker and you are applying for a qualifying broker's license, the unused portion of your associate broker license fee will be applied to your qualifying broker's license. Upon renewal of your license, you will be assessed the full three-year license fee of \$240.

THOMSON
—★—™
PROMETRIC
1260 Energy Lane
St. Paul, MN 55108
800.894.0021

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