



PSI Services LLC
3210 E Tropicana
Las Vegas, NV 89121
<https://test-takers.psiexams.com/nmre>
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STATE OF NEW MEXICO



NEW MEXICO REAL ESTATE COMMISSION CANDIDATE INFORMATION BULLETIN

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EXAMINATIONS BY PSI

This Candidate Information Bulletin provides you with information about the examination and application process for a real estate licensee in the State of New Mexico.

New Mexico state laws stipulate that a person may not act as a real estate broker without first obtaining a license issued by the New Mexico Real Estate Commission. To be licensed, you must pass an examination to confirm that you have attained at least a minimum level of knowledge regarding the principles, practices, statutes, and regulations relating to real estate.

The New Mexico Real Estate Commission has contracted with PSI Services LLC (PSI) to conduct examination approval process and examination testing. PSI provides examinations through a network of computer examination centers in New Mexico. PSI works closely with the State to be certain that examinations meet local as well as national requirements in basic principles and examination development standards.

GUIDELINES FOR ELIGIBILITY/EXAMINATION REGISTRATION

Candidates must apply for eligibility with PSI by submitting the completed Eligibility/Examination Registration Form (found at the end of this Candidate Information Bulletin), and all required documentation. PSI will determine your eligibility for taking the examination.

PSI
3210 E Tropicana
Las Vegas, NV 89121
(855) 557-0621 • Fax (702) 932-2666
Email: nmreapp@psionline.com
<https://test-takers.psiexams.com/nmre>

Upon approval by PSI, you will be sent an email confirmation. If your registration is incomplete, PSI will contact you to advise you of any additional information or documents required.

The following fee table lists the applicable fee for each examination. The fee is for each examination, whether you are taking the examination for the first time or repeating.

- The eligibility will expire one year from the date PSI receives the original submission.
- You must pass both the national and state-specific examinations within 90 days of passing the first examination. If you do not pass both examinations within 90 days, you must retake both examinations.

EXAMINATION FEE

\$ 95

The fee is \$95 for the 2 examination portions, regardless if you take 1 or both examination portions. Examination retakes are \$95 for 1 or both examination portions. NOTE: EXAMINATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. THE EXAMINATION FEE IS VALID FOR ONE YEAR FROM THE DATE OF PAYMENT.

PREREQUISITES FOR TAKING EXAMINATIONS

To be eligible for licensure, candidates must meet qualifications established by New Mexico law and pass the designated examinations. Along with the examination application form, all examination candidates, with the exception of candidates applying under the License Recognition program or candidates who have received pre-licensing education waivers, must submit documentation of having completed 30-hour pre-licensing courses in Real Estate Principles and Practice, Real Estate Law, and Broker Basics not longer than three years prior to making application to take the broker's examination. School Certifications from each school must be submitted with the Eligibility/Examination Registration Form verifying the candidate has completed 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

**Pre-licensing courses available by correspondence.*

The New Mexico Real Estate Commission, Regulation and Licensing Department has established the following licensing requirements.

Associate Broker examination requirements:

- A. there is no age limit to take the examination, however you must be at least 18 years of age to get a license;
- 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. A written course waiver from the Commission Education Director can also serve to make this requirement.

Qualifying Broker 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 history;
- D. have met one of the following requirements:
 1. shall have been actively engaged in real estate business as an associate broker 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 Brokerage Office Administration course, and shall have passed the Broker's examination.
 2. individuals with current licenses who can document that they were New Mexico qualifying brokers on or before December 31, 2005 are not subject to the requirements in paragraph D (1) above and may regain

qualifying broker status by filing a Trade Name Registration Form (found at the "Forms" link of the New Mexico Real Estate Commission web site) and paying the \$20 trade name registration fee to the Commission;

or

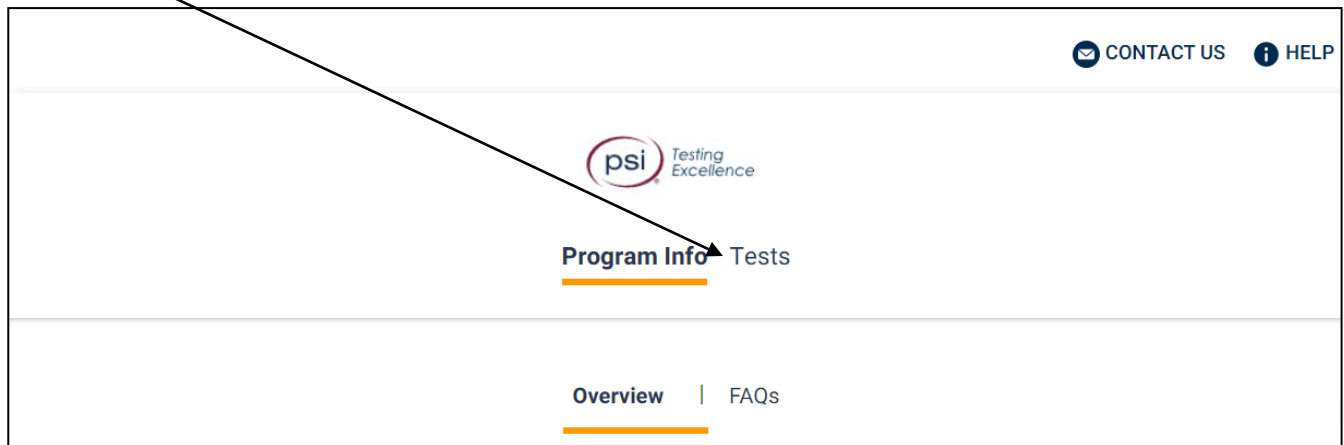
3. individuals who automatically became associate brokers on January 1, 2006 pursuant to 16.61.31.8(D) shall have been actively engaged in the real estate business as an associate broker for at least two of the last five years immediately prior to making application for a New Mexico qualifying broker's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

Note: Candidates applying for initial licensure with the Commission must have completed the required pre-licensing education within three years of making application to take the real estate broker's examination and must furnish copies of certificates of course completion with their examination applications. Candidates who are currently licensed by the Commission as associate brokers and who are taking the brokers' examination to upgrade to qualifying broker status are exempt from the three-year time limit and must provide only a certificate of completion of the 30-hour Broker Basics course and a copy of their current associate broker's license.

ONLINE (<https://test-takers.psiexams.com/nmre>)

For the **fastest and most convenient** examination scheduling process, register for your examinations online by accessing PSI's registration Website: [Click Here](#) or on the email confirmation you received from PSI.

1. Select **TESTS** to create an account.



2. Select the examination and you are ready to create an account. Select **LOGIN/REGISTER**.

To continue the booking process and schedule your test, you must login or create an account.

LOGIN/REGISTER

3. You will be prompted to **CREATE AN ACCOUNT** with PSI.

The first and last name must match exactly with your current, valid, government-issued ID.

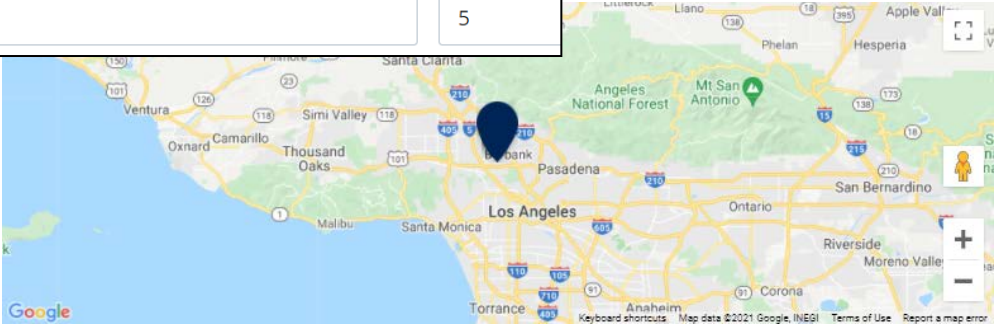
ID *	
First Name *	Last Name *
Middle Name	Generation
Email *	
Password *	Your password must contain: • At least one capital letter A-Z • At least one lower case letter a-z • At least one number 0-9 • At least one special character !@#V\$%^&V/* • At least 8 and up to 32 characters
Confirm Password *	

4. Enter the “City or Postal Code” and select FIND.

Search Test Center Location

Radius

5



5. Select a date and time to book an appointment.

Choose a Date and Time

<

October 2021

>

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

☐ Available ☒ Selected

**Time slots available for
October 08, 2021**

08:00 AM

01:30 PM

6. You are now ready to pay.

Payment

Billing Address

Order Summary

Commercial Contractor Practice Test
Mechanical Bus and Law
\$100.00 USD

Total Price

CONTINUE

7. Once payment has been made you will receive a message confirming the test center, booked date, and booked time.

Booking Confirmed!!  [Print Confirmation](#)

Email Address:
asingla81@psionline.com

Home Phone:
111224444

Office Phone:
2221112345

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TELEPHONE SCHEDULING

PSI registrars are available at (855) 557-0621, Monday through Friday between 5:30 am and 8:00 pm, and Saturday-Sunday between 7:00 am and 3:30 pm, Mountain Time.

CANCELING AN EXAMINATION APPOINTMENT

You may cancel and reschedule an examination appointment without forfeiting your fee **if your cancellation notice is received 2 days prior to the scheduled examination date.** For example, for a Monday appointment, the cancellation notice would need to be received on the previous Saturday. You may call PSI at (855) 557-0621 or at <https://test-takers.psiexams.com/nmre>.

Note: A voice mail message is not an acceptable form of cancellation. Please use the PSI Website or call PSI and speak to a Customer Service Representative

MISSED APPOINTMENT OR LATE CANCELLATION

If you miss your appointment, you will not be able to take the examination as scheduled. You will forfeit your examination fee, if:

- You do not cancel your appointment 2 days before the scheduled examination date;
- You do not appear for your examination appointment;
- You arrive after examination start time;
- You do not present proper identification when you arrive for the examination.

EXAM ACCOMMODATIONS

All PSI examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and exam accommodations will be made in meeting a candidate's needs. A candidate with a disability or a candidate who would otherwise have difficulty taking the examination should request for alternative arrangements by [Clicking Here](#).

Candidates granted accommodation in accordance with the ADA, MUST schedule their examination by telephone and speak directly with a PSI registrar.

EXAMINATION SITE CLOSING FOR AN EMERGENCY

In the event that severe weather or another emergency forces the closure of an examination site on a scheduled examination date, your examination will be rescheduled. PSI personnel will attempt to contact you in this situation. However, you may check the status of your examination schedule by calling (855) 557-0621 or check the website at <https://test-takers.psiexams.com/nmre>. Every effort will be made to reschedule your examination at a convenient time as soon as possible.

EXAMINATION SITE LOCATION

The New Mexico examinations are administered at the PSI examination centers in New Mexico as listed below:

Albuquerque

2820 Broadbent Pkwy NE, Suites E & F Albuquerque, NM 87107

From I-40 W take exit 159D, follow Frontage Rd. N to Menaul Blvd NE, make a left onto Menaul Blvd NE, make a right onto Broadbent Pkwy NE. Building will be on the right.

Farmington

1307 E. 20th St.

Farmington, NM 87401

From E. Main St, turn RIGHT on Sullivan and turn LEFT on 20th St. We are next door to the County Republican Party office and across the street from Planned Parenthood. No Sign on the building. The sign is on the door. The office is between Zuni and Santiago streets on the south side of 20th St. If you pass Dave's Sports Shop or Fatboy's Restaurant, you've gone too far.

Las Cruces

1001 N. Solano, Suite # D Las

Cruces, NM 88001

Take Highway 70 West to Solano. Turn South on Solano and go one block past Spruce to Pinon. The test center is on the Northwest corner of Solano and Pinon.

Roswell

105 Fifth St.

Roswell, NM 88201

From US-285 S / US-70 W, turn LEFT onto E 5TH ST.

Santa Fe

4001 Office Court Drive, Suite 301

Santa Fe, NM 87507

From Albuquerque International Sunport Airport: Head East on Sunport Blvd SE. Merge onto I-25 N via the ramp to I-40/Downtown and Santa Fe. Take exit 278 and merge onto Cerrillos Road/NM-14 N. Approximately 2.5 miles north on Cerrillos Road, turn right on Wagon Road. Turn right on Office Court Drive into the office park.

From Espanola, NM and North Cities: Head Southeast on East Paseo De Onate/US-285S/US-84S (toward Calle Espinosa). Continue on Sandia Drive. Slight right at South Riverside Drive/US-285S/US-84S. Turn right on Cerrillos Road. Approximately 5 miles on Cerrillos Road, turn left on Wagon Road. Turn right on Office Court Drive into the office park.

Colorado Examination Site

The following are a few of the sites that offer the New Mexico examinations. Please check with PSI regarding other testing locations by calling (855) 557-0621.

Durango

799 East 3rd Street, Suite 3

Durango, CO 81301

From Hwy 550: Turn East on College Drive. Go straight then turn right on East 8th Avenue. Follow until East 3rd Street. PSI Testing Site is on the right in Suite 3.

Texas Examination Sites

The following are a few of the sites that offer the New Mexico examinations. Please check with PSI regarding other testing locations by calling (855) 557-0621.

Amarillo

4312 Teckla, Suite 500

Amarillo, TX 79109

Exit off I-40 to Western and go South one street passed the 7th traffic light to Ridgecrest and turn right. Stay on Ridgecrest until you come

to the red brick office complex on the left side corner of Ridgecrest and Teckla. 4312 is the 3rd building facing Teckla. Ste 500 is the end suite on the North side of the building. Or, from Canyon, take Bell St exit and go North to traffic light at 45th St and turn right. Turn left at the 2nd traffic light to Teckla.

El Paso

Innovative Minds – El Paso
11436 Rojas, Suite B-10
El Paso, TX 79936

“From West: Take I-10 East. Take exit 30 toward Lee Trevino Dr. Left on N Lee Trevino Dr and merge to the far right lane. At the Bank of America, R on Rojas Dr. Innovative Minds is located on right in the Rojas Business Ctr. From East: Take I-10 West. Take exit 30 toward Lee Trevino Dr. Merge to far right lane and at the One Source Federal Credit Union, Right on Goodyear Dr. At street light, Left on Rojas Dr. Innovative Minds is located on the left in the Rojas Business Ctr.”

Lubbock

The Center
4413 82nd St., Suite 210
Lubbock, TX 79424

From S Loop 289, take the Quaker Ave exit and go South. Turn right on 82nd St.

Midland

Westwood Village Shopping Center
4200 West Illinois Avenue, Suite 200
Midland, TX 79703

From I-20, take Midkiff Road exit. Go North on Midkiff Road. Take a left on Illinois Ave. Go .8 miles and turn right into Chinese Kitchen's parking lot at 4200 W Illinois. Suite is at the end of the left Strip.

From Business 20 (Old Hwy 80) going West, follow Front Street until Wall St Traffic light. Go 2 blocks and turn right on Midkiff. Turn left on Illinois. Go .8 miles and turn right into Chinese Kitchen's parking lot at 4200 W Illinois. Suite is at the end of the left Strip.

From North Hwy 349, Look for Loop 250 West (just before overpass). Turn right at Loop and go 2 miles to Exit Midkiff. Turn left at traffic light. Turn right at Illinois traffic signal. Turn right onto Chinese Kitchen's parking Lot at 4200 W Illinois. Suite is at the end of the left Strip.

Additionally, PSI has examination centers in many other regions across the United States. Enter your zip code and the closest site will appear.

REPORTING TO THE EXAMINATION SITE

On the day of the examination, you should arrive at least 30 minutes before your appointment. This extra time is for sign-in, identification, and familiarizing you with the examination process. ***If you arrive late, you may not be admitted to the examination site and you will forfeit your examination registration fee.***

REQUIRED IDENTIFICATION AT EXAMINATION SITE

You must provide 2 forms of identification. One must be a VALID form of government issued identification (driver's license, state ID, passport), which bears your signature and has your photograph. The second ID must have your signature and preprinted legal name. All identification provided must match the name the Commission has provided to PSI.

PRIMARY IDENTIFICATION (with photo) - Choose One

- State issued driver's license
- State issued identification card
- US Government Issued Passport

- US Government Issued Military Identification Card
 - US Government Issued Alien Registration Card
 - Canadian Government Issued ID
- NOTE: ID must contain candidate's photo, be valid and unexpired.

SECONDARY IDENTIFICATION - Choose One

- Credit Card (must be signed)
- Social Security Card

Failure to bring the proper documentation invalidates your registration. You will not be able to take the examination as scheduled, and you will forfeit your examination fee.

SECURITY PROCEDURES

The following security procedures will apply during the examination:

- Only non-programmable calculators that are silent, battery-operated, do not have paper tape printing capabilities, and do not have a keyboard containing the alphabet will be allowed in the examination site.
- Candidates may take only approved items into the examination room.
- All personal belongings of candidates, with the exception of close-fitting jackets or sweatshirts, should be placed in the secure storage provided at each site prior to entering the examination room. Personal belongings **include, but are not limited to**, the following items:
 - **Electronic devices of any type**, including cellular / mobile phones, recording devices, electronic watches, cameras, pagers, laptop computers, tablet computers (e.g., iPads), music players (e.g., iPods), smart watches, radios, or electronic games.
 - **Bulky or loose clothing or coats** that could be used to conceal recording devices or notes, including coats, shawls, heavy jackets, or overcoats.
 - **Hats or headgear not worn for religious reasons** or as religious apparel, including hats, baseball caps, or visors.
 - **Other personal items**, including purses, notebooks, reference or reading material, briefcases, backpacks, wallets, pens, pencils, other writing devices, food, drinks, and good luck items.
- Person(s) accompanying an examination candidate may not wait in the examination center, inside the building or on the building's property. This applies to guests of any nature, including drivers, children, friends, family, colleagues or instructors.
- No smoking, eating, or drinking is allowed in the examination center.
- During the check in process, all candidates will be asked if they possess any prohibited items. Candidates may also be asked to empty their pockets and turn them out for the proctor to ensure they are empty. The proctor may also ask candidates to lift up the ends of their sleeves and the bottoms of their pant legs to ensure that notes or recording devices are not being hidden there.
- Proctors will also carefully inspect eyeglass frames, tie tacks, or any other apparel that could be used to harbor a recording device. Proctors will ask to inspect any such items in candidates' pockets.
- If prohibited items are found during check-in, candidates shall put them in the provided secure storage or return these items to their vehicle. PSI will not be responsible for the security of any personal

belongings or prohibited items.

- Any candidate possessing prohibited items in the examination room shall immediately have his or her test results invalidated, and PSI shall notify the examination sponsor of the occurrence.
- Any candidate seen giving or receiving assistance on an examination, found with unauthorized materials, or who violates any security regulations will be asked to surrender all examination materials and to leave the examination center. All such instances will be reported to the examination sponsor.
- Copying or communicating examination content is violation of a candidate's contract with PSI, and federal and state law. Either may result in the disqualification of examination results and may lead to legal action.
- Once candidates have been seated and the examination begins, they may leave the examination room only to use the restroom, and only after obtaining permission from the proctor. Candidate will not receive extra time to complete the examination.

TAKING THE EXAMINATION BY COMPUTER

The examination will be administered via computer. You will be using a mouse and computer keyboard.

TUTORIAL

Before you start your examination, an introductory tutorial is provided on the computer screen. The time you spend on this tutorial, up to 15 minutes, DOES NOT count as part of your examination time. Sample questions are included following the tutorial so that you may practice answering questions.

TEST QUESTION SCREEN

One question appears on the screen at a time. During the examination, minutes remaining will be displayed at the top of the screen and updated as you record your answers.

After you have entered your responses, you will later be able to return to any question(s) and change your response, provided the examination time has not run out.

EXAMINATION REVIEW

PSI, in cooperation with the New Mexico Real Estate Commission, will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. While taking the examination, examinees will have the opportunity to provide comments on any questions. Comments may be entered by clicking on the Comments link on the function bar of the test question screen. These comments will be analyzed by PSI examination development staff. PSI does not respond to individuals regarding these comments. All substantive comments are reviewed. **This is the only review of examination materials available to candidates.**

SCORE REPORTING

In order to pass the examinations, you must receive a score of at least 75%.

Your score will be given to you immediately following completion of the examination. The following summary describes the score reporting process:

- **On screen** – your score will appear immediately on the computer screen. This will happen automatically at the end of the time allowed for the examination.
 - If you **pass**, you will immediately receive a successful notification.
 - If you **do not pass**, you will receive a diagnostic report indicating your strengths and weaknesses by examination type with the score report.
- **On paper** – a score report will be printed at the examination site.

You may request a duplicate score report after your examination by emailing scorereport@psionline.com.

Now you can take the practice exam online at [National Real Estate Broker Practice Exam](#) to prepare for your New Mexico Real Estate Examination.

Please note that practice exams are intended only to help testing candidates become familiar with the general types of questions that will appear on a licensing examination. They ARE NOT a substitute for proper education and study. Furthermore, scoring well on the practice exam does not guarantee a positive outcome on an actual licensing examination.

Note: You may take the practice exams an unlimited number of times. However, you will need to pay each time.

EXAMINATION STUDY MATERIALS

The following is a list of possible study materials for the real estate examinations. The list is given to identify resources and does not constitute an endorsement by PSI or by the State Real Estate Commission. Use the latest edition available.

NATIONAL PORTION OF THE EXAMINATION

- Hart, Dearborn Real Estate Education, (800) 972-2220, www.dearborn.com
- *Modern Real Estate Practice*, 19th Edition, Galaty, Allaway, and Kyle, Dearborn Real Estate Education, (800) 972-2220, www.dearborn.com
- *Real Estate Law*, 9th Edition, 2016, Elliot Klayman, Dearborn Real Estate Education, (800) 972-2220, www.dearborn.com
- *The Language of Real Estate*, 7th Edition, 2013, John Reilly, Dearborn Real Estate Education, (800) 972-2220, www.dearborn.com
- *Real Estate Principles & Practices*, 9th Edition, 2014, Arlyne Geschwender, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855-733-7239, www.oncoursepublishing.com ISBN 0324784554
- *Real Estate Principles*, 12th Edition, Charles Jacobus, OnCourse Publishing, N19W24075 Riverwood Drive, Suite 200, Waukesha, WI 53188, 855-733-7239, www.oncoursepublishing.com ISBN 1285420985
- *Real Estate Math*, 7th Edition, 2014, Linda L. Crawford,

Dearborn Real Estate Education, (800)972-2220, www.dearborn.com

- *Property Management*, 10th edition, 2016, Kyle, Robert C., Baird, Floyd M. and Kyle, C. Donald, Chicago: Dearborn Real Estate Education
- *Principles of Real Estate Practice*, 6th edition, 2019, Mettling, Stephen and Cusic, David, Performance Programs Company, www.performanceprogramscompnay.com

STATE PORTION OF THE EXAMINATION

2021-2022 Edition, New Mexico Real Estate License Law and Real Estate Commission Rules, New Mexico Real Estate Commission, 5500 San Antonio Dr. NE Suite B, Albuquerque, NM 87109, <https://www.rld.nm.gov/boards-and-commissions/individual-boards-and-commissions/real-estate-commission/statutes-rules-and-rule-hearings/>

DESCRIPTION OF EXAMINATIONS

You are required to pass both the state and national portions of the examination. If you fail one portion of the examination, you will only need to register to retake the failed portion. You must pass both the national and state-specific examinations within 90 days of passing the first examination. If you do not pass both examinations within 90 days, you must retake both examinations.

EXPERIMENTAL QUESTIONS

A small number of “experimental” questions (i.e., 5 to 10) may be administered to candidates during the examinations. These questions will not be scored, and the time taken to answer them will not count against testing time. The administration of such unscored, experimental questions is an essential step in developing future licensing exams.

EXAMINATION SUMMARY TABLE

Examination	# of Questions	Passing Score	Time Allowed
Broker National	75 (80 points)	60 correct	120 Minutes
Broker State	50	38 correct	60 Minutes

Note: National broker exams include questions that are scored up to two points.

CONTENT OUTLINES

The examination content outlines have been prepared and are periodically updated by committees of professionals who are subject matter experts in real estate practice, real estate instruction, and regulatory issues. The examination content outlines these professionals have prepared identify areas of importance to licensees in order for them to perform their duties to the public in a competent and legally responsible manner.

Use the outline as a guide for pre-examination review of course material. The outlines list the topics that are on the examination and the number of questions for each topic. Do not schedule your examination until you are familiar with the topics in the outline.

NATIONAL PORTION CONTENT OUTLINE (REAL ESTATE PRINCIPLES AND PRACTICES)

I. Property Ownership (Broker 10%)

A. Real and personal property; conveyances

B. Land characteristics and legal descriptions

1. Metes and bounds method of legal property description
2. Lot and block (recorded plat) method of legal property description
3. Government survey (rectangular survey) method of legal property description
4. Measuring structures (linear and square footage)
5. Land measurement

C. Encumbrances and effects on property ownership

1. Types of liens and their effect on the title and value of real property
2. Easements, rights of way and licenses, including their effect on the title, value and use of real property
3. Encroachments and their effect on the title, value and use of real property
4. Potential encumbrances on title, such as probate, leases, or adverse possession
5. Property rights that may be conveyed separately from use of the land surface, such as mineral and other subsurface rights, air rights, or water rights

D. Types of ownership

1. Ownership in severalty/sole ownership
2. Implications of ownership as tenants in common
3. Implications of ownership in joint tenancy
4. Forms of common-interest ownership, such as Timeshares, Condominiums and Co-ops
5. Property ownership held in a trust or by an estate
6. Ownership by business entities
7. Life Estate ownership

II. Land use Controls (Broker 5%)

A. Government rights in land

1. Government rights to impose property taxes and special assessments
2. Government rights to acquire land through eminent domain, condemnation and escheat

B. Government controls on land use

C. Private controls

1. Deed conditions or restrictions on property use
2. Subdivision covenants, conditions and restrictions (CC&Rs) on property use
3. Condominium and owners' associations regulations or bylaws on property use

III. Valuation (Broker 8%)

A. Appraisals

1. Appraisals for valuation of real property
2. Situations which require appraisal by a licensed or certified appraiser and brokerage-related actions that constitute unauthorized appraisal practice
3. General steps in appraisal process

B. Estimating Value

1. Economic principles and property characteristics that affect value of real property
2. Sales or market comparison approach to property valuation and appropriate uses
3. Cost approach to property valuation and appropriate uses
4. Income analysis approach to property valuation and appropriate uses

C. Comparative Market Analysis (CMA)

1. Competitive/Comparative Market Analysis (CMA), BPO or equivalent
2. Automated Valuation Method (AVM), appraisal valuation and Comparative Market Analysis (CMA)

IV. Financing (Broker 9%)

A. Basic Concepts and Terminology

1. Loan financing (for example, points, LTV, PMI, interest, PITI)
2. General underwriting process (e.g., debt ratios, credit scoring and history)
3. Standard mortgage/deed of trust clauses and conditions
4. Essential elements of a promissory note

B. Types of Loans

1. Conventional loans
2. Amortized loans, partially amortized (balloon) loans, interest-only loans
3. Adjustable-rate mortgage (ARM) loans
4. Government Loans
 - a. FHA insured loans
 - b. VA guaranteed loans
 - c. USDA/Rural Development loan programs
5. Owner financing (for example, installment or land contract/contract for deed)
6. Reverse-mortgage loans
7. Home equity loans and lines of credit
8. Construction loans
9. Rehab loans
10. Bridge loans

C. Financing and Lending

1. Real Estate Settlement Procedures Act (RESPA), including kickbacks
2. Truth-in-Lending Act (Regulation Z), including advertising
3. Requirements and time frames of TRID (TILA-RESPA Integrated Disclosures)
4. Equal Credit Opportunity Act
5. Lending Process (application through loan closing)
6. Risky loan features, such as prepayment penalties and balloon payments

V. Contracts (Broker 19%)

A. General Contract Law

1. General principles of contract law
2. Elements necessary for a contract to be valid
3. Effect of the Statute of Frauds
4. Offer and a contract

5. Enforceability of contracts
6. Void, voidable and unenforceable contracts
7. Bilateral and unilateral contracts
8. Nature and use of option agreements
9. Notice, delivery, acceptance and execution of contracts
10. Appropriate use, risks, and advantages of electronic signatures and paperless transactions
11. Rights and obligations of the parties to a contract
12. Possible remedies for breach or non-performance of contract
13. Termination, rescission and cancellation of contracts

B. Purchase and Lease Contracts

1. Addenda and amendments to contracts
2. Purchase agreements
3. Contract contingencies and methods for satisfying them
4. Leases and rental agreements
5. Lease-purchase agreements
6. Types of leases

C. Proper handling of multiple offers and counteroffers

VI. Agency (Broker 13%)

A. Agency and non-agency relationships

1. Agency relationships and how they are established
2. Types of listing contracts
3. Buyer brokerage/tenant representation contracts
4. Other brokerage relationships, including transaction brokers and facilitators
5. Powers of attorney and other assignments of authority
6. Conditions for termination of agency or brokerage service agreements

B. Agent Duties

1. Fiduciary duties of agents
2. Agent's duties to customers/non-clients, including honesty and good faith

C. Agency Disclosures

1. Disclosure of agency/representation
2. Disclosure of possible conflict of interest or self-interest

VII. Property Disclosures (Broker 7%)

A. Property Condition

1. Seller's property condition disclosure requirements
2. Property conditions that may warrant inspections or a survey
3. Red flags that warrant investigation of public or private land use controls

B. Environmental and Government Disclosures

1. Environmental issues requiring disclosure
2. Federal, state, or local disclosure requirements regarding the property

C. Disclosure of material facts and material defects

VIII. Property Management (Broker 5%)

A. Duties and Responsibilities

1. Procurement and qualification of prospective tenants
2. Fair housing and ADA compliance specific to property management
3. How to complete a market analysis to identify factors in setting rents or lease rates
4. Property manager responsibility for maintenance, improvements, reporting and risk management (*BROKER ONLY*)
5. Handling landlord and tenant funds; trust accounts, reports and disbursements (*BROKER ONLY*)
6. Provisions of property management contracts (*BROKER ONLY*)

B. Landlord and tenant rights and obligations

IX. Transfer of Title (Broker 6%)

A. Types of deeds

B. Title Insurance and Searches

1. Title insurance policies and title searches
2. Potential title problems and resolutions
3. Marketable and insurable title

C. Closing Process

1. When transfer of ownership becomes effective
2. Process and importance of recordation
3. Settlement procedures (closing) and parties involved
4. Home and new construction warranties

D. Special Processes

1. Special issues in transferring foreclosed properties
2. Special issues in short sale transactions
3. Special issues in probate transactions

X. Practice of Real Estate (Broker 12%)

A. Antidiscrimination

1. Federal Fair Housing Act general principles and exemptions
2. Protected classes under Federal Fair Housing Act
3. Protections against discrimination based on gender identity and sexual orientation
4. Prohibited conduct under Federal Fair Housing Act (Redlining, Blockbusting, Steering, Disparate Treatment)
5. Fair housing advertising rules
6. Americans with Disabilities Act (ADA) obligations pertaining to accessibility and reasonable accommodations

B. Legislation and Regulations

1. Licensees' status as employees or independent contractors
2. Antitrust laws and types of violations, fines and penalties
3. Do-Not-Call List rule compliance
4. Proper use of Social Media and Internet communication and advertising

C. Duties and Responsibilities

1. Protection of confidential personal information (written, verbal or electronic)
2. Duties when handling funds of others in

transactions

3. Licensee responsibility for due diligence in real estate transactions

D. Supervisory Responsibilities (BROKER ONLY)

1. Broker's supervisory responsibilities (licensees, teams and unlicensed assistants and employees) (*BROKER ONLY*)
2. Broker relationship with licensees (employees or independent contractors and governing rules) (*BROKER ONLY*)

XI. Real Estate Calculations (Broker 6%)

A. Calculations for Transactions

1. Seller's net proceeds
2. Buyer funds needed at closing
3. Real property tax and other prorations
4. Real property transfer fees
5. PITI (Principal, Interest, Taxes and Insurance) payments estimate given loan rate and term

B. General Concepts

1. Equity
2. Rate of return/Capitalization rate
3. Loan-to-Value ratio
4. Discount points and loan origination fees

STATE SPECIFIC PORTION CONTENT OUTLINE

Real Estate Commission (6 items)

- a. Purposes, Powers, and Duties.
- b. License Law Violations, Investigations, and Audit of Records
- c. Hearings, Penalties, and Appeals (Uniform License Law)

Licensing Requirements (7 items)

- a. Activities Requiring License
 - i. Limitations on activities of Unlicensed Assistants
 - ii. Exceptions to licensure requirement
- b. Qualifications for Licensure
 - i. Education Requirements/Post-license, CE
 - ii. Criminal Background checks/Fingerprinting
 - iii. Licensing Procedure
 - iv. Errors and Omissions Insurance
 - v. Qualifying Broker experience requirements
- c. License Renewal and Transfer Requirements
 - i. Affiliation transfer
 - ii. Change of name or of physical or email address

Real Estate Commission Regulations (15 items)

- a. Qualifying and Associate Broker Responsibilities

- b. Qualifying Broker/Associate Broker Relationships, Employment and Independent Contractor Agreements.
- c. Advertising and Signage.
- d. Record Keeping.
- e. Property Management
 - i. Definition of Property Management
 - ii. Time Issues
 - iii. Requirement for written agreement
 - iv. Must be under auspices of Qualifying Broker
 - v. Property Management trust accounts and commingling issues

Broker Duties, Disclosure and Brokerage Relationships (15 items)

- a. Honesty, Reasonable Care and Professional and Ethical Conduct
- b. Compliance with Local, State, and Federal Laws (other than Fair Housing & Anti-Discrimination)
- c. Performance of Written Agreements
- d. Assistance to Clients and Customers in Completing Transactions
- e. Requirement to Advise Legal or other Expert Consultation if Needed
- f. Prompt Accounting for Money and Property
- g. Written Disclosure of Existing Brokerage Relationships, Personal Interest in Transaction
- h. Written Disclosure of Adverse Material Facts
- i. Confidentiality in Brokerage Relationships
- j. Types of Brokerage Relationships Available in New Mexico

Additional State-Required Topics (7 items)

- a. New Mexico Property Taxes
- b. New Mexico Mechanic's Liens
- c. Septic systems
- d. Water rights issues (well and surface rights)
- e. New Mexico Human Rights Act
- f. PID disclosures
- g. HOA disclosures

SAMPLE QUESTIONS

The following questions are offered as examples of the types of questions you will be asked during the course of the New Mexico real estate broker examinations. They are intended primarily to familiarize you with the style and format of questions you can expect to find in the examinations. The examples do NOT represent the full range of content or difficulty levels found in the actual examinations.

SAMPLE BROKER QUESTIONS (SCENARIO-BASED)

Scenario:

You are hosting an open house. Mr. and Mrs. Charles Martin come into the house. You greet them and show them the house. The Martins tell you the house is exactly what they are

looking for and they are very interested in purchasing it. You then give them information showing the various types of financing available with down payment options and projected payments.

Mr. Martin tells you they have been working with Mary Hempstead of XX Realty, a competing real estate company. Before leaving, you thank them for coming and give them your business card.

- A. The first thing on Monday morning, Mrs. Martin calls and indicates they have tried to reach Mary and cannot. They indicate they have a written buyer's agent agreement with Mary's broker. They are afraid someone else is going to buy the house. Which of the following should you do? Select the best answer.
 - 1. Seek advice from your supervising broker.
 - 2. Tell them to come to your office.
 - 3. Ask them to bring the buyer's agency agreement to you for your interpretation.
 - 4. Tell them to be patient and continue trying to reach Mary.
 - 5. Tell them to call Mary's supervising broker or branch manager.
 - 6. Tell them you are really sorry, but there is nothing you can do.
- B. The Martins come to your office and explain that neither Mary nor her supervising broker are available. They insist you immediately write an offer for the house. How should you proceed? Select the best answer.
 - 1. Write the offer after entering into a buyer's broker agreement with them.
 - 2. Write the offer after explaining they may owe Mary's broker a commission.
 - 3. Write the offer after trying to contact Mary's broker yourself.
 - 4. Refuse to write an offer and explain that doing so would be unethical.
 - 5. Refuse to write and offer since it would be illegal.
 - 6. Refuse to write the offer and tell the Martins to contact another Salesperson in Mary's office.

Answers (Points) to Sample Broker Questions:

- A. 1 (2 points), 2 (1 point), 3 (0 point), 4 (0 point), 5 (1 point) , 6 (0 point);
- B. 1 (1 point), 2 (2 points), 3 (1 point), 4 (0 point), 5 (0 point) , 6 (0 point);

APPLYING FOR A LICENSE

Effective 1/7/2022, paper applications are no longer being taken.

Once you pass the examination; you may then apply for the License from the New Mexico Real Estate Commission. The application for a license is now a fully "online" process. You will need to access the online application system at the following site.

Click Here for the Online Application

Or cut/paste the following URL:

<https://www.rld.nm.gov/boards-and-commissions/individual-boards-and-commissions/real-estate-commission/rec-licensing-services/rec-apply-for-license/>

The online license application will allow you to upload the following required documents:

- 1) Original certified license history
- 2) Real Estate Principles and Practice Course Completion Certificate
- 3) Real Estate Law Course Completion Certificate Or a Waiver Letter
- 4) OR a Waiver Letter indicating the candidate requirement for 2) and 3) have been waived
- 5) Broker Basics Course completion certificate
- 6) Original Passing PSI National Broker Exam Scores
- 7) Original Passing PSI NM Broker Examination test score
- 8) OR Waiver Letter indicating 6) National Broker examination has been waived
- 9) Fingerprint Information; and,
- 10) Errors and Omissions Insurance Certificate (if you plan to be an active Broker).



NEW MEXICO REAL ESTATE Eligibility/Examination Registration Form

Read the Candidate Information Bulletin before completing this form

CANDIDATE INFORMATION

Last Name (include suffix: i.e., Jr., Sr., III)	First Name	Middle Name or Initial	SSN
Street Address (including apartment number or P.O. Box, if applicable)			
City, State, ZIP Code			
E-mail Address			
Daytime Phone (including area code)	Cell Phone (including area code)	Date of Birth (MM/DD/YYYY)	
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 examination.			
I am submitting the Exam Accommodations Request (and the end of this bulletin) and required documentation ☐ Yes ☐ No			

BROKER QUALIFICATIONS

Must be a legal resident of the United States and have met one of the following requirements (check one box):

ASSOCIATE BROKER:

- ☐ 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), no longer than three (3) years prior from the date on this application to take the examination. Provide the required documentation as indicated in items a, b and c under the *Real Estate Course Verification* section. When applying for the Associate Broker License, please use the Associate Broker License Application

QUALIFYING BROKER: (check the box that applies)

1. ☐ **[Out of State QB Equivalency Applicants]** Following completion of the testing phase, out of state applicants who are currently Qualifying Broker Equivalents and are seeking to hold a Qualifying Broker License in New Mexico may apply using the Qualifying Broker License Application and provide the documentation (i.e. certified license history) that they hold a QB equivalent in their current state(s) or jurisdiction(s) of licensure for at least 2 of the last 5 years for Qualifying Brokers who may establish a Trade Name and open their own brokerage, but not supervise Associate Brokers; or 4 of the last 5 years for Qualifying Brokers who may establish a Trade Name and open their own brokerage AND be able to supervise Associate Brokers.
2. ☐ **[NM Salesperson Upgrades to QB]** Following completion of the testing phase, NM applicants who were originally licensed in NM as "salespersons" and who are seeking to hold a Qualifying Broker License in New Mexico may apply using the Qualifying Broker License Application and provide the documentation that they meet all the qualifications noted in the Rules of the Real Estate Commission Part 3, Sections: 16.61.3.12. Qualifying Broker Application Requirements; 16.61.3.11. Qualifying Broker Candidate Education Requirements for Application; and 16.61.3.10. Qualifying Broker Licensing Requirements
3. ☐ **[Out of State Upgrades to QB]** Following completion of the testing phase, Out of State applicants who licensed as "salespersons" or less than QB equivalents, who are seeking to hold a Qualifying Broker License in New Mexico may apply using the Qualifying Broker License Application and provide the documentation that they meet **all** the qualifications noted in the Rules of the Real Estate Commission Part 3, Sections: 16.61.3.12. Qualifying Broker Application Requirements; 16.61.3.11. Qualifying Broker Candidate Education Requirements for Application; and 16.61.3.10. Qualifying Broker Licensing Requirements

Pre-Licensing Education Waiver Letter from the New Mexico Real Estate Commission:

- ☐ After June 14, 2013, candidates who are currently licensed in another state and who have received a Pre-Licensing Education Waiver Letter from the Education Director of the New Mexico Real Estate Commission are exempt from having to take the National portion of the broker's examination. Please attach a copy of the waiver letter to this application. Such candidates must still take and pass the State portion of the broker's exam and will be charged the full \$95 examination fee.

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 | ☐ c: 30 Hrs - Broker Basics | ☐ Letter of pre-licensing course waiver from New Mexico Real Estate Commission Education Administrator |
| ☐ b: 30 Hrs - Real Estate Principles and Practice | | |

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

Send this completed form and all required documentation to:

PSI
3210 E Tropicana
Las Vegas, NV 89121
(855) 557-0621
Email: NM.ApplicationProcessor@psionline.com

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.

PSI
3210 E Tropicana
Las Vegas, NV 89121

