

Illinois Department of Financial and Professional Regulation (IDFPR)
Detailed Content Outline for the
Broker to Managing Broker Transition Proficiency Examination

The broker to managing broker examination will contain 70 multiple-choice items (questions), allocated according to the outline below. Items on the examinations will be classified according to the cognitive level that is expected to be required for the candidate to respond to the item. The majority of the items will be classified at the application level; that is, most items will require interpretation, in which the response or outcome is situationally dependent. In other words, correct responses will require more than simple recall, but will not require overly complex thought processes. Ethics related to real estate practice is not listed as a specific topic because ethical principles will be included on the examinations as underlying knowledge related to many content areas.

Broker to Managing Broker Transition Examination – Detailed Content Outline	# of Items
1) Laws and Regulations	24
A) License Law	
1) Advertising (including internet)	
2) Disclosure requirements (including licensee ownership disclosure)	
3) Employment agreements and policy manual compliance	
4) Types of licenses	
B) Real Property Issues	
1) Home inspection issues	
2) Zoning	
C) Property disclosures	
1) Residential Real Property Disclosure Report	
2) AIDS (HIV)	
3) Stigmatized property	
4) Material defects	
5) Environmental disclosures (e.g., radon, lead based paint)	
D) Risk Management Issues	
1) Fair housing	
2) Anti-trust	
3) Marketing restrictions (e.g., CANSPAM, Do Not Call/Fax)	
4) Referral to experts (e.g., appraisal, inspection, financial)	
5) Unauthorized practice of law	
2) Agency	12
A) Designated agency	
B) Dual agency	
C) Ministerial acts	
D) Non-agency disclosure	
E) Minimum services	
F) Compensation	
G) Confidentiality	

Broker to Managing Broker Transition Examination – Detailed Content Outline	# of Items
3) <i>Real Estate Transactions</i>	14
A) Market Analysis/Pricing Issues	
1) Market conditions	
2) Property conditions	
3) Distress sales	
B) Financing	
1) Short sale process	
2) Foreclosure process	
C) Contracts and Conveyances	
1) Brokerage agreements (including property management)	
2) Presentation of offers (including multiple and contemporaneous offers)	
3) Contingencies	
4) Earnest money issues	
5) Cancelling a contract	
D) Closing a Transaction	
1) RESPA (e.g., disclosures, kickbacks)	
2) Mortgage fraud	
4) <i>Managing Broker Topics</i>	20
A) Sponsorship issues	
1) Employment agreements (including licensing, termination, or transfer)	
2) Licensed and unlicensed personal assistants	
3) Dispute resolution	
4) Training and supervision	
5) Teams	
B) Special accounts (escrow)	
C) Commercial broker lien act	
D) Company policies and procedures	
E) Record keeping (including confidentiality)	
F) Office management	
1) Opening an office/branch offices (including entity types, and licensing)	
2) Compensation (e.g., commissions, rebates, referral or finders' fees, cooperation)	
3) Liability protection (e.g., errors and omissions insurance)	
4) Disclosure of affiliated business arrangements	
5) Closing an office	
Total Broker to Managing Broker Transition Examination	70