

Probate Referee Certification Exam

CANDIDATE TEST PREPARATION INFORMATION

PURPOSE

The purpose of this information is to help candidates prepare for the State of California Certification Examination for Probate Referees. Adequate preparation for the examination can increase your mastery of the test objectives and the probability of passing.

In September 2006, CPS staff met with 10 experienced, California Probate Referee subject matter experts (SMEs) to determine and define the major responsibility areas and relevant knowledge and skills common to Probate Referees. The expert panel identified the knowledge and skills listed in Table 1 relating to the work of Probate Referees.

The SME panel rated the following three major competency areas as important and expected at the time of appointment or certification. Many test questions cover more than one of these competency areas.

Section	Competency Area	# of items
1	Real Property Appraisal	50
2	Personal Property and Business Appraisal	35
3	Probate Law, Procedures, and Ethics	15

Reference information can be found in the California State Probate codes and the California Probate Referees' Guide (available at http://www.sco.ca.gov/Files-EO/probate_guide.pdf).

Table 1

Section 1: Real Property Appraisal – 50 items
<i>VALUE AND APPRAISAL PRINCIPALS</i>
Knowledge of the concept of value and appraisal principles
Knowledge of ownership interest (e.g., fee simple, leased fee, leasehold)
Knowledge of legal descriptions including sections, township, and ranges
Knowledge of the principle of substitution
Knowledge of easements

Section 1: Real Property Appraisal – 50 items

COST APPROACH

Knowledge of the cost approach

Knowledge of the concept of highest and best use

Knowledge of the concepts of physical depreciation

Knowledge of the concepts of obsolescence

MARKET APPROACH

Knowledge of valuation using comparable sales data (calculation)

Knowledge of per unit values

Knowledge of selection and sales adjustments

INCOME APPROACH

Knowledge of income approach

Knowledge of direct capitalization

Knowledge of net operating income

Knowledge of lease analysis

Knowledge of rent control

Knowledge of the definition of discounting

OTHER

Knowledge of the Williamson Act and other special assessment districts (e.g., Mello-Roos)

Knowledge of the factors in appraising non-residential property

Knowledge of the concept of life estate

Knowledge of basic statistical analyses

Section 2: Personal Property and Business Appraisal – 35 items

PERSONAL PROPERTY

Knowledge of tangible personal property

Skill to value automobiles and other vehicles

Skill to value collectibles

Skill to value livestock, machinery/tools, personal property, and trade fixtures

BUSINESS

Skill to interpret financial statements

Knowledge of cash flow analysis

Skill to perform goodwill evaluations

Knowledge of entities (e.g., corporations, partnerships, etc.)

Knowledge of the relationship between book value and market value

Knowledge of closely held businesses

Knowledge of the concepts of depreciation

INVESTMENTS AND OTHER

Knowledge of promissory notes

Knowledge of stocks and bonds

Knowledge of passive investments (e.g., limited partnerships)

Knowledge of the valuation of shares of a holding company

Knowledge of royalties and annuities

Section 3: Probate Law, Procedures, and Ethics – 15 items

Knowledge of Probate Code sections 400 – 460, 8800 – 8970, 11302b, 13100 – 13500, 16247

Knowledge of Government Code Sections relating to Probate exemptions

Basic knowledge of the probate administration

Basic knowledge of the concept of conservatorship and guardianship

Basic knowledge of the purpose of probate and trusts

Knowledge of the state controller's rules and regulations pertaining to Probate Referees including ethics

