

Financing Residential Real Estate Final Exam

1. Which of the following provisions in a mortgage allows the lender to demand immediate payment of the entire outstanding loan balance if the borrower defaults?
 - a. Subordination clause
 - b. Alienation clause
 - c. Acceleration clause
 - d. Prepayment clause
2. A loan that has a fixed interest rate for the first five years and an annually adjustable rate for the remainder of the loan term is called a:
 - a. hybrid ARM
 - b. balloon/reset mortgage
 - c. two-step mortgage
 - d. participation mortgage
3. Which of the following is true of Fannie Mae, Freddie Mac, and Ginnie Mae?
 - a. They are all federal agencies within the Department of Housing and Urban Development (HUD)
 - b. They are all private corporations without government ties
 - c. They all issue mortgage-backed securities for sale to investors
 - d. They are all government-sponsored enterprises, not government agencies
4. The Truth in Lending Act (Regulation Z) requires a residential lender to give a loan applicant a disclosure statement regarding finance charges:
 - a. at the time the applicant submits the written application
 - b. within three business days after receiving the written application
 - c. at least 24 hours before the transaction is closed
 - d. only if the applicant requests one
5. Mortgage brokers:
 - a. arrange loans on behalf of wholesale lenders
 - b. originate loans using their own funds, then sell them on the secondary market
 - c. are also called mortgage bankers
 - d. make only conventional loans, not FHA or VA loans
6. Which of these types of income is least likely to be counted as part of a loan applicant's stable monthly income?
 - a. Social security payments
 - b. Unemployment compensation
 - c. Welfare payments
 - d. Rental income
7. As a general rule, subprime mortgage lenders:
 - a. offer home equity loans, but not home purchase loans
 - b. charge higher interest rates and loan fees than prime lenders
 - c. have stricter underwriting standards than prime lenders
 - d. cannot sell their loans on the secondary market
8. Compared to a 30-year loan, a 15-year loan usually has:
 - a. a higher interest rate and a larger monthly payment
 - b. a lower interest rate and a larger monthly payment
 - c. a higher interest rate and a smaller monthly payment
 - d. a lower interest rate and a smaller monthly payment
9. A bridge loan, also called a swing or gap loan, is used to:
 - a. finance personal property and real property with a single mortgage loan
 - b. replace a construction loan with permanent financing
 - c. provide funds to close the purchase of a new home before the buyer's old home has been sold
 - d. provide monthly income to an elderly homeowner
10. The seller is paying for a level payment temporary buydown that will reduce the buyer's interest rate by 2% for three years, lowering the monthly payment from \$1,000 to \$875 during that period. This buydown will cost the seller approximately:
 - a. six points
 - b. \$2,625
 - c. \$3,000
 - d. \$4,500

11. Acme Savings just preapproved the Swansons for a mortgage loan. Which of the following steps remain to be done before closing?
 - a. The Swansons still must submit a formal loan application
 - b. The Swansons still must provide documentation of their income and assets
 - c. The property still must be appraised and a title report obtained once the Swansons find a home
 - d. All of the above
12. A key characteristic of a GEM is that:
 - a. 100% of the annual payment increases are used to reduce the principal balance
 - b. the payment does not increase during the first five years of the loan term
 - c. the interest rate is decreased by a predetermined percentage each year
 - d. a balloon payment is due after 11 years
13. PITI includes all of the following *except*:
 - a. escrow fees
 - b. property taxes
 - c. mortgage insurance
 - d. condominium or homeowners association dues
14. Margo Smith and John Perlman just bought a home with an FHA loan. When they sell the home, who could assume their loan?
 - a. Only a buyer who meets the FHA's creditworthiness standards and will occupy the home as his or her primary residence
 - b. Anyone who intends to occupy the home as a primary or secondary residence
 - c. Any buyer (owner-occupant or investor) who meets the FHA's standards
 - d. Any buyer who agrees to release the sellers from liability
15. When the Hendersons' loan application was submitted to an automated underwriting system, the system did not give their loan a risk classification of "Approve" or "Accept." In this situation:
 - a. the Hendersons should request a recalibration of the AUS
 - b. the lender may have the application underwritten manually to see if it should be approved anyway
 - c. the Hendersons are entitled by law to additional review of their application
 - d. the lender cannot make the loan, if this is a federally related loan transaction
16. For VA loans, most lenders require:
 - a. the guaranty amount to equal or exceed the loan amount
 - b. the downpayment to equal the guaranty amount
 - c. the loan amount plus the downpayment to equal 25% of the guaranty amount
 - d. the guaranty amount to equal or exceed 25% of the loan amount
17. The federal government got involved in the secondary mortgage market:
 - a. because the secondary market helps to moderate the disruptive economic effects of local real estate cycles
 - b. because the system had become corrupt and unnecessarily complicated
 - c. to prevent investors from profiting at the expense of middle-class home buyers
 - d. to force lending institutions to invest in their local communities
18. In analyzing a loan applicant's income to determine if he or she can afford the proposed loan, lenders are usually most concerned about the applicant's:
 - a. debt to income ratio
 - b. housing expense to income ratio
 - c. gap ratio
 - d. asset to liability ratio
19. The power of sale clause in a deed of trust permits:
 - a. the borrower to sell the property without the trustee's approval
 - b. the borrower to sell the property without the beneficiary's approval
 - c. the trustee to foreclose judicially
 - d. the trustee to foreclose nonjudicially
20. Kevin Novak is buying a home. To help him qualify for financing, his parents are going to cosign the loan. Which of the following is true?
 - a. The parents do not have to be included on the loan application
 - b. The parents must be included on the loan application, but their income and assets are not subject to the same verification requirements as their son's
 - c. The parents can be required to pay the entire remaining loan balance in case of default
 - d. The parents can only be required to pay half of the loan amount in case of default, unless the court determines that there was intent to defraud the lender

21. Ben Chan is applying for a mortgage loan; his interest rate will be 6.15% if the transaction closes within 60 days. Chan's interest rate has been:
 - a. fixed
 - b. locked in
 - c. frozen
 - d. bought down
22. A loan that doesn't comply with Fannie Mae and Freddie Mac's underwriting guidelines is called:
 - a. a subprime loan
 - b. a below-market loan
 - c. an unconventional loan
 - d. a nonconforming loan
23. As a general rule, an underwriter won't count income from self-employment as stable monthly income unless the loan applicant has operated his or her business profitably for at least:
 - a. two years
 - b. three years
 - c. five years
 - d. seven years
24. Which of the following statements regarding private mortgage insurance is true?
 - a. PMI is required on a conventional loan throughout the loan term
 - b. Under certain conditions, the lender is required to cancel the PMI whether or not the borrower requests cancellation
 - c. Cancellation of PMI does not affect the borrower's monthly mortgage payment
 - d. PMI is automatically cancelled once the borrower has made the payments reliably for two years
25. Seller financing is most likely to be used:
 - a. by low-income buyers
 - b. when market interest rates are high
 - c. in areas where subprime financing is not available
 - d. in conjunction with VA-guaranteed loans
26. The term "piggyback loan" refers to:
 - a. subprime lending
 - b. secondary financing
 - c. refinancing
 - d. construction financing
27. Under the Equal Credit Opportunity Act, lenders are not allowed to:
 - a. ask whether or not a loan applicant is married
 - b. ask how old a loan applicant is
 - c. discriminate based on income level
 - d. discriminate based on age or marital status
28. The Lawrences bought a home with a VA loan in 1993, and the guaranty amount was \$46,000. Now they're selling the property to a non-veteran who plans to assume the loan. Which of the following is true?
 - a. The Lawrences have some remaining entitlement, but their full entitlement cannot be restored until their old loan has been paid off.
 - b. The Lawrences' full entitlement will be restored if they obtain a release of liability from the VA.
 - c. The Lawrences are not eligible for another VA loan.
 - d. Only an eligible veteran with full entitlement can assume a VA loan.
29. An advertisement that offers home purchase loans "with only 1% down":
 - a. violates the Truth in Lending Act
 - b. violates the Truth in Lending Act unless it also states the APR and other terms of the loan
 - c. violates the Truth in Lending Act unless it also offers home equity loans on the same terms
 - d. does not violate the Truth in Lending Act
30. Which of these does Fannie Mae consider to be one of the two primary risk factors that determine the level of review that should be applied to the rest of the loan application?
 - a. Credit score
 - b. Debt to income ratio
 - c. Cash reserves
 - d. Mortgage insurance
31. For federally related loans, a key provision of the Real Estate Settlement Procedures Act:
 - a. prevents lenders from paying referral fees to real estate agents for referring customers
 - b. prevents lenders from charging origination fees in excess of 5%
 - c. requires lenders to close home purchase loans within 30 days after receiving a written application
 - d. requires lenders to use independent escrow agents to close loan transactions

32. Gift funds usually should be:
 - a. kept in the donor's bank account until a transfer is requested by the underwriter
 - b. kept in the donor's bank account until after closing
 - c. deposited into the prospective borrower's bank account as soon as possible, so that they can be verified along with the rest of the borrower's funds
 - d. deposited into the real estate broker's trust account at least three business days before closing
33. Which of these does not change during the term of an adjustable-rate mortgage?
 - a. The index rate
 - b. The loan's interest rate
 - c. The monthly payment amount
 - d. The lender's margin
34. In connection with most mortgage loan applications, lenders must provide a good faith estimate of:
 - a. how long it will take to approve or reject the application
 - b. the borrower's closings costs
 - c. the likelihood of default if the loan is approved
 - d. the servicing fees that will be paid if the loan is sold on the secondary market
35. With wraparound financing:
 - a. the buyer assumes the seller's loan
 - b. the underlying loan is larger than the wrap
 - c. the due-on-sale clause in the underlying loan is not triggered
 - d. the seller continues to make the payments on the underlying loan
36. All of the following are considered predatory lending practices *except*:
 - a. equity stripping
 - b. charging a prepayment penalty
 - c. making a mortgage loan based only on the property's value, without regard to the borrower's ability to repay
 - d. requiring a borrower to purchase single premium credit life insurance
37. Gerrie Farrell is buying a single-family home. She can finance the purchase with an FHA loan only if:
 - a. her gross annual income does not exceed \$40,000
 - b. she intends to lease the property to low-income tenants in compliance with FHA rules
 - c. she intends to occupy the property as her primary residence
 - d. the house was built to FHA specifications under an approved home warranty program
38. The Duncans bought their home a few years ago with a conventional loan. Now they're selling the property to a buyer who wants to assume the loan. The lender could:
 - a. accept the assumption without changing the terms of the loan
 - b. accept the assumption but raise the interest rate to the current market level
 - c. refuse to allow the assumption and accelerate the loan, exercising the due-on-sale clause
 - d. Any of the above
39. In a deed of trust, the lender is referred to as:
 - a. the grantor
 - b. the beneficiary
 - c. the trustee
 - d. the trustor
40. Charging mortgage borrowers higher or lower interest rates depending on whether they're good credit risks or poor credit risks is called:
 - a. risk-based pricing
 - b. par rate pricing
 - c. average risk pricing
 - d. average cost pricing
41. Which of the following would an appraiser be most likely to use as a comparable sale for a sales comparison appraisal (with any necessary adjustments)?
 - a. A home quite similar to the subject property, located in the same neighborhood, which sold two years ago
 - b. A home quite similar to the subject property, located in the same neighborhood, which sold for a reduced price because the seller was forced to sell
 - c. A home quite similar to the subject property, located in a very similar neighborhood nearby, which sold eight months ago
 - d. None of the above could be used

42. The Richardsons' stable monthly income is \$6,000, and their recurring liabilities come to \$700 per month. If they want to qualify for a 90% conventional loan, their proposed monthly housing expense (PITI) probably should not exceed:
- \$980
 - \$1,460
 - \$1,680
 - \$1,876
43. Reverse equity mortgages:
- are generally regarded as a form of predatory lending
 - involve negative amortization
 - enable some elderly homeowners to keep their homes
 - enable some elderly homeowners to purchase a home
44. All of the following could hurt an individual's credit score *except*:
- numerous credit inquiries within a two-month period
 - requesting corrections to the credit report
 - late payments within the past year
 - maintaining credit card balances near the credit limits for the accounts
45. Secondary financing from someone other than a family member is permitted in conjunction with an FHA loan only if:
- the borrower cannot qualify for the loan without secondary financing
 - the secondary financing is obtained from an institutional lender (not from the seller)
 - the secondary lender waives the right to foreclose
 - the two loans combined do not exceed the base loan amount for the transaction
46. Which of the following loan applicants is most likely to choose a subprime lender?
- A self-employed applicant who can't meet the income documentation requirements of other lenders
 - An applicant whose funds for closing include gift funds
 - An applicant who has only 5% of the purchase price available for a downpayment
 - An applicant with a high FICO score
47. An underwriter would be concerned with residual income when evaluating an application for:
- any conventional loan
 - a 95% conventional loan
 - a VA-guaranteed loan
 - an FHA-insured loan
48. For an investor, three key characteristics of a potential investment are safety, liquidity, and:
- index
 - term
 - yield
 - capital
49. Which of the following could serve as a definition of negative amortization?
- When unpaid interest is added to the principal balance, increasing the amount owed
 - When payment increases are applied to the principal balance, paying off the loan before its term expires
 - When the accrued interest is paid in a single balloon payment at the end of the loan term
 - When the lender increases the payment amount without adjusting the interest rate, accelerating repayment
50. A promissory note:
- gives the lender the right to foreclose in the event of default
 - establishes the borrower's legal obligation to repay the loan
 - is not necessary for a transaction in which a deed of trust is used
 - All of the above
51. Long-term mortgage loans were introduced:
- in response to the savings and loan crisis
 - in response to the foreclosure epidemic that occurred during the Depression
 - in the 1970s, as an alternative to adjustable-rate mortgages
 - in the 1980s, as an alternative to fixed-rate mortgages
52. As a general rule, a lender will treat a conventional loan with an 87% LTV as:
- a nonconforming loan
 - an 80% loan
 - a 90% loan
 - a 95% loan

53. With an adjustable-rate mortgage, the loan's interest rate:
- may increase, but cannot decrease, during the loan term
 - cannot increase after the first five years of the loan term
 - may increase or decrease during the loan term
 - is adjusted whenever the index rate changes
54. Which loan program has local maximum loan amounts, related to median housing costs in each area?
- Conventional
 - GEM
 - VA-guaranteed
 - FHA-insured
55. Interest-first mortgages, temporary buydowns, and hybrid ARMs all might be of particular interest to home buyers who:
- have little money available for a downpayment
 - have poor credit scores
 - expect interest rates to increase sharply in the next few years
 - expect their income to increase substantially in the next few years
56. Buyers with little money available for closing would be most likely to consider:
- an FHA loan
 - a 15-year loan
 - a growing equity mortgage
 - a loan that doesn't require mortgage insurance
57. If the seller didn't pay off the mortgage, and the buyer didn't assume it:
- the sale extinguished the mortgage and the lender has no further rights in regard to the property
 - the seller has no further liability to the lender
 - the lender can choose whether to sue the seller or the buyer in case of default
 - the buyer took title subject to the mortgage, and the lender can still foreclose on the property
58. Affordable housing programs involving conventional loans often have:
- bi-weekly payments
 - maximum income limits
 - accelerated payment plans
 - buydown requirements
59. In most transactions financed with a land contract, the vendor retains:
- legal title until the full contract price has been paid
 - possession of the property until the full contract price has been paid
 - equitable title until the full contract price has been paid
 - None of the above
60. In a lease/option arrangement:
- the rent charged should be less than the market rent
 - the tenant/optionee is under no obligation to buy the property
 - the option money should be treated as a security deposit
 - All of the above
61. In a typical residential real estate transaction, if closing takes place on January 20, the due date for the buyer's first mortgage payment will be:
- January 21
 - February 1
 - February 15
 - March 1
62. When a borrower exercises the conversion option in an ARM, the new fixed interest rate is usually:
- 2% above the loan's original adjustable rate
 - the index rate at the time of conversion
 - the market rate at the time of conversion
 - the market rate at the time the loan was originated
63. Ordinarily, interim or prepaid interest is:
- paid to the lender by the buyer at closing
 - prorated between the buyer and the seller
 - not required for conventional loans
 - refunded to the seller at closing
64. The Lenihans are buying a single-family home with an FHA loan. The FHA insurance will require:
- an annual premium
 - an upfront (one-time) premium that must be paid in cash at closing
 - an upfront premium that may be paid in cash or financed
 - an upfront premium that may be paid in cash or financed, plus an annual premium

65. Vivian North just made her monthly mortgage payment, which includes a share of her property taxes and her hazard insurance premium. What will the lender do with the tax and insurance portions of the payment?
- Send them to the county auditor and the insurance company within ten days
 - Apply them to release part of the security property from the lien
 - Keep them in an impound account until payment is due
 - Invest them for the benefit of the borrower
66. A lender making a conventional loan would not necessarily comply with the underwriting guidelines of the major secondary market agencies:
- because conventional loans cannot be sold on the secondary market
 - because underwriting is not required for conventional loans
 - if the lender intended to keep the loan in portfolio
 - if the proposed loan amount were \$100,000 or less
67. An underwriter calculating a loan applicant's stable monthly income will usually count only a certain percentage of the applicant's:
- social security or welfare benefits
 - income from a rental property
 - child support or alimony (spousal maintenance)
 - stock dividends and other investment income
68. The Zinns are applying for a loan to buy a new home while their old one is still for sale. When adding up the Zinns' liquid assets, the underwriter will include:
- the sales price of the old home
 - the appraised value of the old home
 - their gross equity in the old home
 - their net equity in the old home
69. The loan has a fixed interest rate and level monthly payments; a portion of each month's payment is applied to interest and the remainder is applied to principal, but a balloon payment will be due at the end of the term. This loan is:
- unamortized
 - negatively amortized
 - fully amortized
 - partially amortized
70. A due-on-sale clause is the same thing as:
- a subordination clause
 - a prepayment provision
 - an alienation clause
 - a partial satisfaction clause
71. In qualifying a buyer for a conventional loan, an underwriter would probably take into account all of the following liabilities *except*:
- a car loan with four \$200 monthly payments remaining
 - a student loan with twelve \$70 monthly payments remaining
 - a personal loan with fifteen \$45 monthly payments remaining
 - child support payments owed for a ten-year-old child
72. A subordination clause is most likely to be included in a:
- budget mortgage used in an affordable housing program
 - loan for the purchase of vacant land, when construction is planned
 - loan for the purchase of a second home
 - loan that will be supplemented with seller financing
73. The statutory right of redemption allows a defaulting borrower to redeem the property:
- before the sheriff's sale in a judicial foreclosure
 - after the sheriff's sale in a judicial foreclosure
 - before the trustee's sale in a nonjudicial foreclosure
 - after the trustee's sale in a nonjudicial foreclosure
74. The basic purpose of an origination fee is to:
- cover the lender's overhead and costs incurred in making a loan
 - increase the lender's yield on the loan above the interest rate
 - reduce the borrower's monthly payments to an affordable level
 - discourage the borrower from backing out of the transaction before closing
75. In contrast to wholesale lenders, retail lenders:
- deal directly with loan applicants
 - generally work with loan correspondents
 - focus on conventional loans
 - tend to be large, nationwide institutions

76. Aside from bankruptcies, negative credit information ordinarily remains on an individual's credit report for:
- three years
 - ten years
 - five years
 - seven years
77. If a lender requires a borrower to have enough money left over after closing to cover a certain number of mortgage payments, those funds are called:
- bonds
 - impounds
 - reserves
 - residuals
78. George Wilson is applying for a 90% conventional loan. His parents are willing to give him some money to help him buy the house. Can gift funds be applied to the required downpayment for this loan?
- Yes, as long as Wilson obtains extra mortgage insurance for the loan
 - Yes, as long as Wilson is still putting at least \$10,000 of his own money into the purchase
 - Yes, as long as Wilson is still paying at least 5% of the sales price out of his own resources
 - No; gift funds cannot be used for the downpayment when the LTV is over 80%
79. Buyer A and Buyer B are both buying single-family homes. Buyer A's borrowing \$300,000 and Buyer B's borrowing \$500,000. It's very likely that Buyer B will be:
- qualified with more lenient standards than Buyer A
 - allowed a higher loan-to-value ratio than Buyer A
 - required to pay off his loan over a shorter term than Buyer A
 - required to pay a higher interest rate than Buyer A
80. As a general rule, an FHA borrower's fixed payment to income ratio should not exceed:
- 47%
 - 43%
 - 36%
 - 29%
81. Private mortgage insurance is generally not required on conventional loans unless the loan-to-value ratio is over:
- 80%
 - 90%
 - 95%
 - 97%
82. The Posts are buying a house for \$254,000. Its appraised value is \$255,000, and the estimated closing costs come to \$8,900. Their mortgage loan has a 90% LTV, which means that the Posts are borrowing:
- \$229,500
 - \$236,610
 - \$220,590
 - \$228,600
83. As a general rule, secondary financing in conjunction with a conventional loan:
- must be partially amortized
 - must comply with restrictions imposed by the primary lender
 - is permitted only by subprime lenders
 - may not exceed 5% of the sales price or appraised value, whichever is less
84. The Jacksons are buying a home for \$320,000, and they'll be required to pay a discount fee of three points for their \$300,000 loan. The fee will amount to:
- \$9,000
 - \$9,600
 - \$8,000
 - \$3,000
85. A married couple is applying for a conventional mortgage loan. The husband's FICO credit score is 740 and the wife's is 680. The underwriter will qualify them using:
- both scores
 - an average of the two scores
 - the lower of the two scores
 - the higher of the two scores
86. An FHA borrower is:
- not allowed to pay discount points
 - not required to make a downpayment
 - required to make a minimum cash investment, which may include closing costs paid by the borrower in addition to the downpayment
 - required to make a minimum cash investment, which may include closing costs, discount points, and prepaid expenses

87. Alex Carville is applying for conventional financing to buy a home. The seller has agreed to pay for a permanent buydown that would lower the interest rate from 10% to 8%. What rate will the lender use to qualify Carville for the loan?
- 10%
 - 9.25%
 - 9%
 - 8%
88. Which of the following should a loan applicant take to the initial loan interview?
- A copy of the purchase and sale agreement, if the applicant has already entered into one
 - A good faith estimate of closing costs
 - A copy of the prequalifying certificate signed by the real estate broker
 - A personal credit report from a reputable credit bureau
89. Which of the following is a secondary market agency?
- FHA
 - OTS
 - FNMA
 - FIRREA
90. Which of the following is most likely to be treated as a compensating factor so that the loan applicant will be allowed to have income ratios that exceed the usual maximums?
- She's been at her job for at least two years
 - She's buying an energy-efficient home
 - Her current housing expense is significantly lower than the proposed housing expense
 - She's applying for an ARM
91. Redlining refers to:
- increasing the interest rate on a loan by an excessive amount if the borrower makes late payments
 - encouraging a home owner to refinance repeatedly during a short period
 - refusing to make loans secured by property in a certain neighborhood for discriminatory reasons
 - the distinctions that subprime lenders draw between applicants with B, C, and D credit
92. The federal law that requires closing agents to use the Uniform Settlement Statement form is:
- Regulation Z
 - RESPA
 - HOEPA
 - HMDA
93. A jumbo loan is a loan that:
- exceeds the conforming loan limits set by Fannie Mae and Freddie Mac
 - exceeds the FHA's maximum loan amounts for the area in which the property is located
 - exceeds \$275,000
 - has a loan-to-value ratio over 97%
94. Which of these statements about predatory lending is true?
- Most predatory lending takes place in the subprime market
 - Most subprime lenders engage in predatory lending practices
 - Predatory lending occurs in connection with refinancing and home equity loans, not home purchase loans
 - The Home Ownership and Equity Protection Act (HOEPA) has eliminated predatory lending in all but a few states
95. In conventional financing, the traditional 28% and 36% income ratios:
- will only be exceeded by subprime lenders
 - are considered strict maximum limits
 - are treated as guidelines, not strict limits
 - have been replaced with a sliding scale of allowable ratios
96. One characteristic that distinguishes securities from other types of investments is that securities:
- don't put the investor at risk of losing the capital originally invested
 - don't give the investor direct managerial control over the enterprise invested in
 - are debt investments, not ownership investments
 - are illiquid

97. When the Diazes bought their home, they didn't make a downpayment, but they did pay a funding fee. They must have financed the purchase with:
- an FHA loan
 - a VA loan
 - an ARM
 - an insured conventional loan
98. When calculating a loan applicant's stable monthly income, an underwriter may "gross up" certain types of income that:
- aren't taxable
 - aren't considered durable
 - have been earned consistently for more than three years
 - will be withdrawn from savings prior to closing
99. In certain cases, if the proceeds of a sheriff's sale aren't sufficient to pay off the foreclosed mortgage, the lender may sue the borrower for the remainder owed. If the court rules in the lender's favor, it will grant the lender:
- an estoppel letter
 - a nonrecourse mortgage
 - a deficiency judgment
 - a deed in lieu
100. The relationship between the total finance charge and the total amount financed is expressed in a loan's:
- LTV
 - CRV
 - MIP
 - APR

Financing Residential Real Estate Final Exam Answer Key

1. c (p. 115)
2. a (p.153)
3. c (p. 26, 31)
4. b (p. 490)
5. a (p. 49, 59)
6. b (p. 228)
7. b (p. 60–61)
8. b (p. 144)
9. c (p. 121)
10. d (p. 330)
11. c (p. 171)
12. a (p. 338–339)
13. a (p. 231)
14. a (p. 382–383)
15. b (p. 218)
16. d (p. 419)
17. a (p. 28, 31)
18. a (p. 232)
19. d (p. 104)
20. c (p. 232–233)
21. b (p. 197)
22. d (p. 304)
23. a (p. 223–224)
24. b (p. 311)
25. b (p. 441)
26. b (p. 313)
27. d (p. 486–487)
28. a (p. 414–416)
29. b (p. 494)
30. a (p. 316)
31. a (p. 497)
32. c (p. 239)
33. d (p. 152)
34. b (p. 195, 497)
35. d (p. 455)
36. b (p. 502–504)
37. c (p. 365)
38. d (p. 117)
39. b (p. 103)
40. a (p. 250)
41. c (p. 271–272)
42. b (p. 318–319)
43. c (p. 125)
44. b (p. 247)
45. d (p. 381)
46. a (p. 60)
47. c (p. 422)
48. c (p. 8–9)
49. a (p. 156)
50. b (p. 98, 101)
51. b (p. 52)
52. c (p. 308)
53. c (p. 150)
54. d (p. 366)
55. d (p. 334–335)
56. a (p. 364)
57. d (p. 116)
58. b (p. 337)
59. a (p. 452)
60. b (p. 463–464)
61. d (p. 202)
62. c (p.157)
63. a (p. 203)
64. d (p. 374–375)
65. c (p. 122, 202)
66. c (p. 29, 304–305)
67. b (p. 226)
68. d (p. 237)
69. d (p. 141–142)
70. c (p. 116)
71. a (p. 227, 317)
72. b (p. 112)
73. b (p. 108)
74. a (p. 179)
75. a (p. 58)
76. d (p. 245)
77. c (p. 234)
78. c (p. 324)
79. d (p. 306–307)
80. b (p. 384)
81. a (p. 309)
82. d (p. 146–147)
83. b (p. 312)
84. a (p. 180)
85. c (p. 325)
86. c (p. 368)
87. d (p. 331)
88. a (p. 188)
89. c (p. 30)
90. b (p. 320)
91. c (p. 487–488)
92. b (p. 497)
93. a (p. 306)
94. a (p. 502, 506)
95. c (p. 320)
96. b (p. 6–7)
97. b (p. 408–409)
98. a (p. 230)
99. c (p. 108)
100. d (p. 182)