

Education Services, Inc.
Real Estate Academy
Session One Quiz – Chapters 1, 2 and 3

CHAPTER ONE

1. A licensed real estate professional acting as a point of contact between two or more people in negotiating the sale, rental or purchase of a property is known as a(n):
 - a. Sales affiliate
 - b. Broker
 - c. Property manager
 - d. Appraiser

2. All of the following would affect demand EXCEPT:
 - a. Population
 - b. Demographics
 - c. Wage levels
 - d. Government fiscal policy

3. The two characteristics of real estate that govern the way the market reacts to supply and demand are:
 - a. Financing and appraisal
 - b. Mobility and conformity
 - c. Uniqueness and immobility
 - d. Demographics and interest rates

4. Real estate markets are best described as:
 - a. Mobile
 - b. Balanced
 - c. Local
 - d. Immune to supply and demand forces

5. The point at which supply and demand are balanced is known as:
 - a. Highest and best use
 - b. Balance
 - c. Conformity
 - d. Equilibrium

CHAPTER TWO

6. Certain items on the premises that are installed by the tenant and are related to the tenant's business are called:
 - a. Fixtures
 - b. Emblements
 - c. Trade fixtures
 - d. Easements

7. Which of the following is NOT described as personal property?
 - a. Chattels
 - b. Trade fixtures
 - c. Emblements
 - d. Fixtures

8. According to law, a trade fixture is:
 - a. A fixture
 - b. An easement
 - c. Personalty
 - d. A license

9. Suzy is interested in a house that fits most of her needs, but is located in a busy downtown area where she is not sure she wants to live. Her concern about location is called:
 - a. Physical deterioration
 - b. Area preference
 - c. Permanence of investment
 - d. Immobility

10. An important characteristic of land is that it may be modified or improved at any given time. Depending on its type, an improvement may increase the value of real estate greatly. Which one of the following would NOT be considered to be an improvement?
 - a. Sewers
 - b. Crops
 - c. Buildings
 - d. Roads

11. The word improvement refers to all of the following EXCEPT:
 - a. Streets
 - b. A sanitary sewer system
 - c. Trade fixtures
 - d. The foundation

12. Real property can become personal property by:
 - a. Severance
 - b. Purchase
 - c. Hypothecation
 - d. Attachment

13. The rights of ownership of real property does NOT include the right of:
 - a. Disposition
 - b. Exclusivity
 - c. Control
 - d. Compatibility

14. A broker showed an owner-occupied property that had window screens, mini blinds and a wall bed. The broker secured a buyer whose offer was accepted by the owner, and the transaction was placed in escrow. Before the close of escrow, the seller may remove:
 - a. All of the identified items as they are trade fixtures
 - b. Only the venetian blinds as personal property
 - c. Only the wall bed because it is real property
 - d. None of the identified items

15. Land is considered to be:
 - a. Indestructible
 - b. A wasting asset
 - c. Immune to the forces of supply and demand
 - d. Subordinate to real property rights

16. A rancher owns a parcel of land on which oil was discovered. If the rancher has not previously conveyed the oil rights, who owns the oil?
 - a. The rancher
 - b. The tenant to whom the property has been leased
 - c. The state government
 - d. The federal government

CHAPTER THREE

17. The foremost consideration in the purchase of a home is its affordability. What is the second?
 - a. Construction specifications
 - b. The age of the improvements
 - c. The location of the property
 - d. The landscaping and exterior

18. The real costs of owning a home include certain costs or expenses that many people overlook. All of the following are such costs or expenses EXCEPT:
 - a. The income lost on cash invested in the home
 - b. The interest paid on borrowed capital
 - c. Maintenance and repair expenses
 - d. Property taxes

19. A basic homeowner's insurance policy would protect all of the following EXCEPT:
 - a. Fire and lightening
 - b. Earthquake and volcanic action
 - c. Windstorm and hail
 - d. Water damage caused by a leaking pipe

20. A longer mortgage loan term will:
 - a. Decrease the number of loans being made
 - b. Result in lower monthly mortgage payments
 - c. Prevent many individuals from owning homes
 - d. Cause interest rates to increase