

## Federal Law Overview Quiz

1. HOEPA:
  - a. Amended the TIL Act, known as section 32
  - b. Has an 8% points and fees trigger
  - c. Has a 8 point APR trigger(over like minded indexes)
  - d. All of the above
  
2. The estimate of loan costs given to the borrower within three days of application
  - a. 1003
  - b. HUD-1
  - c. 1006
  - d. GFE
  
3. What law requires certain lenders to report data on their borrowers in order to determine how the needs of the community are being met?
  - a. TILA
  - b. HOEPA
  - c. HMDA
  - d. RESPA
  
4. Which act requires the disclosure of credit terms and costs
  - a. TILA
  - b. Regulation Z
  - c. Consumer Credit Protection Act of 1968
  - d. All of the above
  
5. The statement that tells a borrower the final cost of the loan and reconciles the GFE:
  - a. HUD-1
  - b. GFE
  - c. VOM
  - d. GSE
  
6. When does RESPA require that the HUD-1 settlement statement be given to the borrower?
  - a. At closing
  - b. Within one business day of closing
  - c. One business day prior to closing if requested by the borrower
  - d. A and c above
  
7. RESPA requires that
  - a. The GFE be given to the borrower within 3 business days of application
  - b. The HUD-1 be given to the borrower 24 hours prior to closing if they ask for it
  - c. Any affiliated business arrangements be disclosed upon referral to the borrower
  - d. All of the above
  
8. According to RESPA, what is the amount of “cushion” allowed in the escrow account?
  - a. \$50 over 1/6 of the annual disbursements
  - b. \$500 over 1/16 of the annual disbursements
  - c. 10% over 1/12 of the annual disbursements
  - d. Exactly 1/24 of the annual disbursements
  
9. How much is allowed to be taken for the escrow account monthly according to RESPA law?
  - a. 1/12
  - b. 1/24
  - c. 1/16
  - d. 10%

10. When does RESPA dictate that the “Servicing Transfer Statement” be delivered to the borrower?
- a. At application
  - b. Before closing
  - c. At closing
  - d. After closing
11. RESPA dictates that the “Servicing Disclosure” be given to the borrower:
- a. At application
  - b. Before closing
  - c. At closing
  - d. After closing
12. According to RESPA law, the initial escrow statement must be given to the borrower:
- a. At application
  - b. Before closing
  - c. At closing or within 45 days of closing
  - d. Upon acceptance
13. RESPA requires that an escrow statement be sent to borrowers:
- a. annually
  - b. monthly
  - c. at application
  - d. upon funding of the loan
14. RESPA requires that any affiliated business arrangement disclosures be given to the borrower:
- a. At application
  - b. Upon referral
  - c. At closing
  - d. After closing
15. TILA or the Truth in Lending Act is also referred to as:
- a. Regulation X
  - b. Regulation Z
  - c. Usury
  - d. Predatory Lending
16. The requirement of disclosure of the annual percentage rate is featured in:
- a. ECOA
  - b. RESPA
  - c. FCRA
  - d. TILA
17. The TIL disclosure must be presented by the creditor:
- a. At application
  - b. Within three business days of application
  - c. At closing
  - d. After closing
18. The ECOA applies to
- a. All real estate transactions
  - b. Real estate and automotive financing
  - c. All credit transactions
  - d. All but unsecured credit transactions
19. Under the ECOA, you cannot be denied credit because
- a. You don’t make enough money
  - b. Part of your income comes from public assistance
  - c. You do not have a consistent employment history
  - d. You have a history of bad credit
20. Under the Equal Credit Opportunity Act you must notify an applicant of a credit denial:
- a. Within 3 business days
  - b. Within 30 days
  - c. Within 45 days
  - d. Within 15 days

21. ECOA prohibits discrimination in giving credit based on:
- a. Age, sex & marital status
  - b. Religion, race & color
  - c. National origin & the receipt of public assistance
  - d. All of the above
22. The Fair Housing Act requires no formal disclosures:
- a. TRUE
  - b. FALSE
  - c. Depends on the loan product
  - d. Depends on the loan amount
23. The law that allows any qualified applicant to live in any house in any neighborhood is:
- a. RESPA
  - b. FHA
  - c. FCRA
  - d. ECOA
24. If a borrower refuses to answer the questions on the 1003 regarding the HMDA data, the LO should:
- a. guess and try to answer the questions as accurately as possible
  - b. make something up
  - c. leave it blank
  - d. ask the processor to make something up
25. When discussing an ARM option with a borrower, are there any mandatory disclosures?
- a. Yes, an amortization schedule
  - b. Yes, the consumer handbook on adjustable rate mortgages
  - c. No, there are no mandatory disclosures
  - d. None of the above
26. RESPA requires the following disclosure at the time of application or within 3 business days of application:
- a. special information booklets
  - b. Good Faith Estimate
  - c. Mortgage Servicing Disclosure Statement
  - d. all of the above
27. RESPA requires the following disclosures after settlement:
- a. an annual escrow loan statement summarizing the years deposits and payments
  - b. an exact amortization schedule
  - c. a servicing transfer statement if the servicing rights are transferred
  - d. a & c
28. Fees paid to attorneys, appraisers, pest inspectors, etc. are disclosed at closing on the:
- a. note
  - b. truth in lending statement
  - c. the funding fees disclosure
  - d. HUD settlement statement
29. The Truth in Lending Act was designed to disclose the:
- a. total cost of fees and points
  - b. cost of credit
  - c. lending patterns of banks
  - d. brokers' yield spread premium

30. RESPA limits the:
- a. amount you can charge on a 3rd party fee
  - b. number of times you can re-disclose your rate
  - c. amount a lender can hold in escrow
  - d. number of days you have to decline a loan
31. RESPA stands for:
- a. Residual Equity Shared Prosperity Act
  - b. Real Estate Sales Procedures Act
  - c. Renters Equal Security Promise Act
  - d. Real Estate Settlement Procedures Act
32. Another name for the Reg Z is:
- a. Truth in Lending
  - b. RESPA
  - c. Predatory Lending Act
  - d. ECOA
33. The information on the 1003 relating to HMDA is:
- a. race and sex
  - b. religion and political affiliation
  - c. country of origin
  - d. credit history
34. The law that prohibits a loan officer from discouraging anyone from applying for a loan is:
- a. FCRA
  - b. MLA
  - c. RESPA
  - d. ECOA
35. The law that requires notice of action such as a credit denial or adverse action letter is:
- a. MLA
  - b. ECOA
  - c. FCRA
  - d. PLA
36. Regulation "B" refers to:
- a. federal bankruptcy laws
  - b. a bi-lingual application
  - c. Equal Credit Opportunity Act (ECOA)
  - d. Fair Housing Act (FHA)
37. ECOA requires creditors to notify applicants of action taken on their application within \_\_\_\_ days of receipt of the application:
- a. 60
  - b. 30
  - c. 15
  - d. 90
38. What Act requires that you provide the applicant with a copy of the appraisal?
- a. FCRA
  - b. FHA
  - c. FACTA
  - d. ECOA
39. Which law forbids the imposition of different standards for approval that could have a disparate effect on different groups of borrowers?
- a. FHA
  - b. HMDA
  - c. FCRA
  - d. ECOA
40. The law that was part of the 1968 Civil Rights Act is:
- a. HOEPA
  - b. PATRIOT Act
  - c. FHA
  - d. ECOA
41. The USA PATRIOT Act or USAPA was introduced less than a week after what event?
- a. bombing of Pearl Harbor
  - b. bombing of the USS Cole
  - c. the 9/11 attacks
  - d. none of the above

42. What law introduced sweeping changes to the regulation of wire taps, money laundering, immigration and electronic communications?
- a. Freedom of Information Act
  - b. USA PATRIOT Act
  - c. Anti-Terrorism Act
  - d. none of the above
43. What act requires a borrower to properly identify themselves?
- a. USAPA
  - b. Anti-Terrorism Act
  - c. Civil Rights Act
  - d. US Identification Act
44. The 1998 regulation "C" refers to:
- a. HMDA
  - b. HOEPA
  - c. FHA
  - d. ECOA
45. What act helps determine if lenders are serving the housing needs of communities and assists public officials with identifying discrimination patterns?
- a. HOEPA
  - b. FHA
  - c. ECOA
  - d. HMDA
46. The Do-Not-Call registry is part of the:
- a. TSR
  - b. GLBA
  - c. FACTA
  - d. FCRA
47. How many months after a business relationship has been established are you allowed to call your customer?
- a. 3 months
  - b. 18 months
  - c. 24 months
  - d. 36 months
48. The Truth in Lending Act is interpreted by:
- a. the department of HUD in 1968
  - b. Congress to further the goal of home ownership
  - c. the Federal Reserve and called Reg Z
  - d. Consumer Coalition for the Truth in Lending
49. When selling a home, the law that prohibits discrimination in whom the house is sold to is:
- a. RESPA
  - b. FHA
  - c. FCRA
  - d. TILA
50. The act designed to help consumers shop for settlement services and eliminate kick-backs for referrals:
- a. TILA
  - b. HOEPA
  - c. HMDA
  - d. RESPA