

Mortgage Terms, Concepts and Definitions
Matching Exercise

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Match the Definition to the Answer Type and Term

1. The difference between what is owed on a property and what it is worth.	F	A. Risk
2. In case the borrower defaults on the loan, the insurance that covers over 80% LTV.	K	B. Dead Pledge
3. An insurance policy that protects owners and lenders against undiscovered defects in chain of title.	M	C. Riparian Rights
4. Where the transaction takes place between the borrower and mortgage banker/broker.	L	D. Real Estate
5. Chance of loss or default on a loan to a lender.	A	E. The Processor
6. Co-ownership of real property by husband and wife, with rights of survivorship.	Z	F. Equity
7. Evidence of ownership.	O	G. Property Rights
8. Stage of the loan transaction when the deed and funds are exchanged.	U	H. Quit Claim Deed
9. The Latin words meaning mortgage.	B	I. Title Theory
10. Repayment of a debt in periodic installments of interest and principal.	P	J. Right of Rescission
11. Rights associated with ownership of waterfront property.	C	K. Private Mortgage Insurance (PMI)
12. Investors from the capital markets buy and pool loans on the secondary market where these loans are sold as _____.	Y	L. Primary Mortgage Market

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13. The three-day cooling off period when refinancing a primary residence.	J	M. Title Insurance
14. A legal document that pledges property as security for the repayment of a loan.	V	N. Underwriting
15. Legal instrument that conveys ownership title to property upon acceptance by grantee.	Q	O. Title
16. Legal instrument in which a borrower conveys legal title to a trustee as security for the repayment of a mortgage loan.	R	P. Amortization
17. The service provider that collects and disburses the funds at closing.	X	Q. Deed
18. Land and all the improvements permanently affixed to it.	D	R. Deed of Trust
19. Lenders who fund mortgage loans primarily through mortgage banker/brokers.	W	S. Fee Simple
20. The cycle of the loan where the loan's file is reviewed and approved.	N	T. Hypothecation
21. The person who orders credit report, verification of employment and gathers together the complete loan file.	E	U. Funding
22. Rights to own inventions, chattel and land are...	G	V. Mortgage
23. The greatest type of ownership of real property that is most comprehensive.	S	W. Wholesale Lenders
24. Pledging real property without giving up possession.	T	X. The Settlement Agent
25. To release claim or interest in a property with no warranties.	H	Y. Mortgage Backed Securities
26. The three-party legal theory whereby the mortgagor conveys legal title until the debt is paid.	I	Z. Tenancy by the Entirety