

## Mortgage Terms and Definitions Quiz

- 1 The difference between what is owed on a property and what it is worth .
  - a Amortization
  - b Equity**
  - c Fee Simple
  - d Hypothecation
  
- 2 The insurance that covers over 80% LTV in the event the borrower defaults on the loan.
  - a Title Insurance
  - b Real Estate Insurance
  - c Private Mortgage Insurance (PMI)**
  - d Casualty Insurance
  
- 3 An insurance policy that protects owners and lenders against undiscovered defects in chain of title.
  - a Title Insurance**
  - b Risk Insurance
  - c Primary Mortgage Insurance
  - d Private Mortgage Insurance (PMI)
  
- 4 Where the transaction takes place between the borrower and mortgage banker/broker.
  - a Primary Mortgage Market**
  - b Secondary Mortgage Market
  - c Processor's Office
  - d Underwriter's Corporate Office
  
- 5 The chance of loss or default on a loan to a lender is called:
  - a Contingency
  - b Hazard
  - c Risk**
  
- 6 Co-ownership of real property by husband and wife, with rights of survivorship.
  - a Tenancy by the Entirety**
  - b Tenancy in Common
  - c Fee Simple
  - d Property Rights
  - e Freehold, Fee Simple
  
- 7 Evidence of ownership rights.

a Mortgage	<b>b Title</b>	c Deed	d Note
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- 8 Stage of the loan transaction when the deed and funds are exchanged.

a Processing	b Amortization	c Underwriting	<b>d Funding</b>
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- 9 The Latin words meaning mortgage.  
 a Hypothecation Rights  
**b Dead Pledge**  
 c Fundus Maximus
- 10 Repayment of a debt in periodic installments of interest and principal.  
**a Amortization**                      b Securitization                      c Revolving Credit                      d Premium
- 11 Rights associated with ownership of waterfront property.  
**a Riparian Rights**                      b Embankment Rights                      c Rescission Rights
- 12 Investors from the capital markets buy and pool loans on the secondary market where these loans are sold as:  
 a Mortgage Stocks                      b Bank Notes                      c Fannie Mae Bonds                      **d Mortgage Backed Securities**
- 13 The three-day cooling off period when refinancing a primary residence.  
 a Grace Period                      c Rescission Forbearance  
**b Right of Rescission**                      d Mortgage Rescission
- 14 A legal document that pledges property as security for the repayment of a loan.  
 a Deed                      b Title                      **c Mortgage**                      d Deed of Trust
- 15 Legal document that conveys title to property upon acceptance by a grantee.  
 a Mortgage                      c Title  
**b Deed**                      d Promissory Note
- 16 Legal instrument in which a borrower transfers property to a trustee as security for a debt.  
**a Deed of Trust**                      c Deed  
 b Promissory Note                      d Settlement Agreement
- 17 The service provider that collects and disburses the funds at closing.  
 a Underwriter                      b REALTOR                      c Processor                      **d Closing Attorney**
- 18 Land and all the improvements permanently affixed to it.  
 a Estate                      c Manor  
**b Real Estate**                      d Fee Simple
- 19 Lenders who fund mortgage loans primarily through mortgage banker/brokers.  
**a Wholesale Lenders/Creditors**                      c Retail lenders  
 b Secondary Lenders                      d Primary Lenders
- 20 The cycle of the loan where the loan's file is reviewed and approved.  
**a Underwriting**                      c Funding  
 b Processing                      d Approval
- 21 The person who orders credit report, verification of employment and submits loan to the underwriter.  
 a Originator                      **c Processor**  
 b Loan Servicer                      d Underwriter

- 22 Rights to own inventions, chattel and land are called:
- a Riparian Rights
  - b Civil Rights
  - c Intellectual Rights
  - d Property Rights
- 23 The greatest type of ownership of real property that is most comprehensive.
- a Fee Simple
  - b Life Estate
  - c Leasehold Estate
  - d Joint Tenancy
- 24 Pledging real property without giving up possession or equitable rights.
- a Joint Ownership
  - b Hypothecation
  - c Promissory Note
  - d Deed of Trust
- 25 To release claim or interest in a property with no warranties.
- a Quitclaim Deed
  - b Warranty Deed
  - c Non-Warranty Deed
  - d Title Deed