

# Answer Key

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Following are the correct answers to the review questions included in each Chapter of the text.

## CHAPTER 1

### Introduction to the Real Estate Business

1. b (3)
2. b (6)
3. d (7)
4. c (8)
5. b (2)
6. d (4)
7. b (6)
8. a (4)
9. d (4)
10. a (5)

## CHAPTER 2

### Real Property and the Law

1. c (18)
2. b (20)
3. c (22)
4. c (18)
5. d (15)
6. b (14)
7. a (19)
8. a (21)
9. a (18)
10. a (19)
11. c (16)
12. b (18)
13. c (19)
14. d (16)
15. a (14)

## CHAPTER 3

### Interests in Real Estate

1. b (30)

2. a (32)
3. c (33)
4. d (37)
5. c (40)
6. a (34)
7. d (37)
8. d (39)
9. c (42)
10. a (30)
11. b (33)
12. b (37)
13. a (35)
14. b (34)
15. b (40)
16. c (35)
17. d (40)
18. a (36)
19. d (32)
20. b (36)
21. a (38)
22. b (41)
23. d (42)
24. a (39)
25. d (40)

## CHAPTER 4

### Forms of Real Estate Ownership

1. d (51)
2. b (50)
3. a (51)
4. b (58)
5. b (55)
6. d (54)
7. b (50)

8. a (55)
9. b (59)
10. c (62)
11. c (57)
12. d (49)
13. d (53)
14. b (60)
15. b (50)
16. c (60)
17. b (60)
18. b (51)
19. d (58)
20. a (51)

## CHAPTER 5

### Legal Descriptions

1. b (76)
2. d (73)
3. d (75)
4. b (72)
5. c (75)
6. c (75)
7. a (75)
8. a (75)
9. a (76)
10. d (83)
11. a (76)
12. c (75)
13. d (83)
14. c (73)
15. b (82)
16. b (78)
17. b (83)
18. b (72)
19. b (83)

- 20. b (83)
- 21. b (75)
- 22. b (76)
- 23. b (75)
- 24. b (75)
- 25. c (71)

**CHAPTER 6**

Land-Use Controls and Property Development

- 1. a (98)
- 2. a (94)
- 3. b (98)
- 4. c (91)
- 5. c (95)
- 6. a (92)
- 7. a (94)
- 8. d (92)
- 9. b (99)
- 10. a (99)
- 11. a (95)
- 12. c (96)
- 13. b (97)
- 14. b (97)
- 15. b (91)
- 16. d (96)
- 17. a (97)
- 18. a (97)
- 19. a (99)
- 20. c (95)

**CHAPTER 7**

Real Estate Taxes and Other Liens

- 1. d (106)
- 2. b (107)
- 3. b (108)
- 4. c (106)
- 5. b (107)
- 6. d (111)
- 7. c (108)
- 8. c (105)
- 9. d (111)
- 10. c (106)
- 11. d (114)
- 12. d (115)
- 13. c (107)
- 14. b (106)
- 15. b (106)

- 16. d (114)
- 17. d (111)
- 18. a (106)
- 19. b (108)
- 20. d (109)

**CHAPTER 8**

Concepts of Home Ownership

- 1. d (125)
- 2. b (126)
- 3. a (123)
- 4. b (123)
- 5. b (124)
- 6. c (126)
- 7. d (128)
- 8. b (125)
- 9. a (126)
- 10. b (126)
- 11. c (126)
- 12. c (126)
- 13. a (127)
- 14. b (123)
- 15. c (127)

**CHAPTER 9**

Transfer of Title

- 1. a (134)
- 2. a (136)
- 3. d (135)
- 4. a (137)
- 5. b (138)
- 6. a (139)
- 7. d (138)
- 8. d (140)
- 9. b (139)
- 10. c (137)
- 11. b (134)
- 12. b (137)
- 13. b (137)
- 14. c (142)
- 15. b (142)
- 16. d (142)
- 17. a (138)
- 18. a (138)
- 19. a (141)
- 20. b (143)
- 21. d (143)
- 22. b (144)
- 23. c (144)

- 24. d (140)
- 25. c (145)

**CHAPTER 10**

Title Records

- 1. a (152)
- 2. a (153)
- 3. c (153)
- 4. a (153)
- 5. a (153)
- 6. d (155)
- 7. d (156)
- 8. d (154)
- 9. c (155)
- 10. a (155)
- 11. c (152)
- 12. c (157)
- 13. b (157)
- 14. d (157)
- 15. c (157)
- 16. a (156)
- 17. b (158)
- 18. a (153)
- 19. b (152)
- 20. d (158)

**CHAPTER 11**

Real Estate Appraisal

- 1. c (180)
- 2. b (173)
- 3. b (175)
- 4. b (173)
- 5. d (175)
- 6. a (175)
- 7. d (179)
- 8. c (182)
- 9. b (178)
- 10. a (181)
- 11. c (181)
- 12. c (180)
- 13. c (173)
- 14. b (181)
- 15. c (177)
- 16. d (181)
- 17. d (176)
- 18. b (181)
- 19. b (181)
- 20. b (179)
- 21. d (178)

- 22. b (174)
- 23. c (174)
- 24. b (179)
- 25. c (179)

**CHAPTER 12**

## Agency

- 1. d (191)
- 2. a (198)
- 3. a (195)
- 4. b (199)
- 5. c (200)
- 6. b (197)
- 7. d (202)
- 8. d (195)
- 9. b (195)
- 10. c (196)
- 11. c (201)
- 12. c (189)
- 13. c (203)
- 14. a (194)
- 15. d (205)

**CHAPTER 13**

## Listing Agreements and Buyer Representation

- 1. a (213)
- 2. c (214)
- 3. c (216)
- 4. a (214)
- 5. b (220)
- 6. d (215)
- 7. a (214)
- 8. c (217)
- 9. a (213)
- 10. d (220)
- 11. c (214)
- 12. b (226)
- 13. a (231)
- 14. b (231)
- 15. b (217)
- 16. a (220)
- 17. c (220)
- 18. c (214)
- 19. b (216)
- 20. c (231)

**CHAPTER 14**

## Real Estate Contracts

- 1. c (238)
- 2. b (242)
- 3. d (239)
- 4. b (239)
- 5. c (241)
- 6. d (243)
- 7. d (249)
- 8. a (247)
- 9. a (249)
- 10. d (247)
- 11. b (249)
- 12. d (250)
- 13. d (250)
- 14. c (238)
- 15. b (245)
- 16. b (246)
- 17. a (241)
- 18. b (245)
- 19. d (242)
- 20. b (249)

**CHAPTER 15**

## Leases

- 1. c (266)
- 2. c (265)
- 3. d (267)
- 4. c (267)
- 5. a (263)
- 6. d (258)
- 7. c (257)
- 8. b (259)
- 9. b (267)
- 10. b (257)
- 11. b (264)
- 12. a (266)
- 13. b (265)
- 14. d (259)
- 15. c (265)
- 16. a (265)
- 17. c (265)
- 18. d (265)
- 19. c (258)
- 20. b (267)

**CHAPTER 16**

## Fair Housing and Ethical Practices

- 1. c (278)
- 2. a (288)
- 3. d (280)
- 4. b (284)
- 5. c (284)
- 6. a (285)
- 7. b (281)
- 8. b (286)
- 9. c (282)
- 10. b (281)
- 11. a (280)
- 12. b (288)
- 13. d (287)
- 14. c (279)
- 15. d (284)

**CHAPTER 17**

## Real Estate Financing: Principles

- 1. b (299)
- 2. a (296)
- 3. c (296)
- 4. a (301)
- 5. c (306)
- 6. b (299)
- 7. d (307)
- 8. d (302)
- 9. a (303)
- 10. a (306)
- 11. c (299)
- 12. d (304)
- 13. b (306)
- 14. a (297)
- 15. b (299)
- 16. d (296)
- 17. a (297)
- 18. c (305)
- 19. b (305)
- 20. b (304)

**CHAPTER 18**

## Real Estate Financing: Practice

- 1. d (329)
- 2. d (331)
- 3. c (316)
- 4. c (321)

5. b (315)
6. a (318)
7. b (314)
8. c (318)
9. b (329)
10. c (325)
11. b (332)
12. b (319)
13. b (317)
14. a (318)
15. b (317)
16. d (334)
17. b (322)
18. b (320)
19. b (320)
20. b (322)
21. c (326)
22. a (314)
23. b (318)
24. c (319)
25. d (332)

**CHAPTER 19**

Closing the Real Estate Transaction

1. d (358)
2. b (348)
3. d (345)
4. a (345)
5. d (348)
6. c (350)
7. c (346)
8. b (353)
9. b (353)
10. d (357)
11. c (359)
12. a (353)
13. c (354)
14. b (348)
15. c (353)
16. b (355)
17. d (355)
18. d (350)
19. b (351)
20. b (351)

**CHAPTER 20**

Real Estate Brokerage

1. b (378)

2. c (372)
3. b (372)
4. b (372)
5. a (378)
6. d (372)
7. d (381)
8. a (380)
9. c (370)
10. b (379)
11. d (380)
12. a (379)
13. c (379)
14. a (379)
15. c (382)

**CHAPTER 21**

Property Management

1. b (405)
2. c (404)
3. d (398)
4. c (405)
5. c (394)
6. b (405)
7. d (406)
8. b (401)
9. c (396)
10. a (397)
11. c (405)
12. c (406)
13. c (397)
14. b (401)
15. b (394)
16. b (397)
17. b (406)
18. c (402)
19. c (402)
20. d (403)

**CHAPTER 22**

Environmental Issues and the Real Estate Transaction

1. b (416)
2. c (415)
3. c (415)
4. a (415)
5. a (421)
6. c (423)
7. b (424)
8. d (426)

9. c (418)
10. d (414)

**APPENDIX I**

Introduction to Real Estate Investment

1. a (438)
2. b (438)
3. d (441)
4. a (441)
5. d (442)
6. b (440)
7. c (443)
8. b (444)
9. b (441)
10. a (441)

**SAMPLE EXAM 1**

1. b (7)
2. a (14)
3. a (14)
4. c (18)
5. c (18, Math FAQs)
6. b (13)
7. a (9)
8. a (16)
9. a (3)
10. d (4)
11. d (20)
12. a (17)
13. b (15)
14. a (11)
15. a (6)
16. c (20, Math FAQs)
17. d (12)
18. c (4)
19. a (20, Math FAQs)
20. b (3)
21. d (13, Math FAQs)
22. b (5, Math FAQs)
23. b (17)
24. b (7)
25. c (Math FAQs)
26. c (7)
27. b (11)
28. c (5, Math FAQs)
29. c (17, Math FAQs)
30. b (13, Math FAQs)
31. d (14)

32. d (14)  
 33. b (14)  
 34. c (17, 18)  
 35. b (14)  
 36. a (17)  
 37. d (11, Math FAQs)  
 38. b (13)  
 39. a (4)  
 40. a (9)  
 41. d (13)  
 42. b (15)  
 43. c (16)  
 44. b (Math FAQs)  
 45. d (7)  
 46. d (14)  
 47. c (3)  
 48. d (5)  
 49. b (11)  
 50. b (7)  
 51. b (14)  
 52. b (4)  
 53. c (15)  
 54. d (14)  
 55. b (3)  
 56. c (18, Math FAQs)  
 57. a (3)  
 58. c (Math FAQs)  
 59. d (6)  
 60. b (14)  
 61. c (17)  
 62. a (16)  
 63. d (19, Math FAQs)  
 64. d (14)  
 65. b (9)  
 66. d (4)  
 67. b (19, Math FAQs)  
 68. d (16)  
 69. a (9)  
 70. a (11)  
 71. d (18)  
 72. d (4)  
 73. a (19)  
 74. d (19)  
 75. b (2)

76. c (3)  
 77. d (Math FAQs)  
 78. b (13)  
 79. d (20)  
 80. d (15)

**SAMPLE EXAM 2**

1. d (15)  
 2. c (2)  
 3. c (14)  
 4. b (17)  
 5. c (15)  
 6. d (12)  
 7. b (20, Math FAQs)  
 8. d (16)  
 9. b (Math FAQs)  
 10. b (18)  
 11. b (14)  
 12. a (18)  
 13. d (13)  
 14. c (3)  
 15. d (12)  
 16. d (5)  
 17. b (9)  
 18. b (12)  
 19. c (20)  
 20. a (11)  
 21. c (19)  
 22. b (15)  
 23. a (3)  
 24. b (19)  
 25. d (15)  
 26. d (18, Math FAQs)  
 27. c (18, Math FAQs)  
 28. b (12)  
 29. b (11)  
 30. d (19)  
 31. b (19, Math FAQs)  
 32. d (11, Math FAQs)  
 33. a (14)  
 34. d (10)  
 35. b (Math FAQs)  
 36. a (20)  
 37. a (15)

38. d (13)  
 39. a (11)  
 40. c (11, Math FAQs)  
 41. d (9)  
 42. c (5)  
 43. b (14)  
 44. d (Math FAQs)  
 45. c (Math FAQs)  
 46. d (18)  
 47. a (3)  
 48. a (19, Math FAQs)  
 49. b (15)  
 50. c (11, Math FAQs)  
 51. c (21, Math FAQs)  
 52. a (10)  
 53. c (8)  
 54. a (9)  
 55. d (4)  
 56. a (19)  
 57. b (3)  
 58. b (9, Math FAQs)  
 59. d (11)  
 60. d (18)  
 61. d (11)  
 62. c (16)  
 63. c (9)  
 64. c (18, Math FAQs)  
 65. a (12)  
 66. b (13, Math FAQs)  
 67. b (16)  
 68. d (12)  
 69. c (3)  
 70. a (19)  
 71. d (18)  
 72. c (11, Math FAQs)  
 73. a (14)  
 74. a (11)  
 75. b (18)  
 76. c (18)  
 77. b (13)  
 78. d (7)  
 79. b (19)  
 80. b (21)