

## **Chapter 12 Questions Transfer of Title**

1. The title to real estate passes when a valid deed is
  - a. signed and recorded.
  - b. delivered and accepted.
  - c. filed and microfilmed.
  - d. executed and mailed.
  
2. The primary purpose of a deed is to
  - a. prove ownership.
  - b. transfer title rights.
  - c. give constructive notice.
  - d. prevent adverse possession.
  
3. A special warranty deed differs from a general warranty deed in that the grantor's covenant in the special warranty deed
  - a. applies only to a definite limited time.
  - b. covers the time back to the original title.
  - c. is implied and is not written in full.
  - d. protects all subsequent owners of the property.
  
4. The severalty owner of a parcel of land sells it to a buyer. The buyer insists that the owner's wife join in signing the deed. The purpose of obtaining the wife's signature is to
  - a. waive any marital or homestead rights.
  - b. defeat any curtesy rights.
  - c. provide evidence that the owner is married.
  - d. satisfy the parol evidence rule.
  
5. A third party holds title to property on behalf of someone else through the use of a
  - a. devise.
  - b. quitclaim deed.
  - c. bequest.
  - d. deed in trust.

6. In a real estate transaction, transfer taxes that are due are charged
  - a. to the buyer unless this is forbidden by statute or regulation.
  - b. according to local custom unless the parties are from different jurisdictions.
  - c. to the parties as agreed in the contract of sale.
  - d. to the closing agent and real estate broker if the contract does not specify who pays.
  
7. Real estate that is inherited from a person who died testate is referred to as a
  - a. legacy.
  - b. bequest.
  - c. devise.
  - d. demise.
  
8. Which of the following documents is signed by the owner of the real estate?
  - a. A gift deed
  - b. A trustee's deed
  - c. A reconveyance deed
  - d. A tax deed
  
9. Which of the following deeds contains no express warranties?
  - a. A bargain and sale deed
  - b. A quitclaim deed
  - c. A warranty deed
  - d. A grant deed
  
10. All of the following are required for a deed to be valid EXCEPT
  - a. Date
  - b. Legal description
  - c. Name of the grantee
  - d. Signature of the grantee

11. The reversion of real estate to the state because of the lack of heirs or other persons legally entitled to own the property is called
  - a. eminent domain.
  - b. escheat.
  - c. attachment.
  - d. estoppel.
  
12. What is the basic purpose of acknowledgment before a notary public in signing a deed?
  - a. To make the deed eligible for recording
  - b. To assure that the title is valid
  - c. To show the genuineness of the grantor's signature
  - d. To prove that the property has not been encumbered
  
13. Pierre owns a one-quarter undivided interest in a parcel of land, and he wants his interest transferred to his sister Estelle. As a general rule, which of the following actions will transfer Pierre's undivided interest out of his name?
  - a. Redemption from foreclosure sale
  - b. Making and signing a will
  - c. Delivery of a deed
  - d. Signed acceptance of offer to purchase
  
14. A valid will devises a decedent's real estate after payment of all debts, claims, inheritance taxes, and expenses through the
  - a. administrator of the estate.
  - b. law of testate succession.
  - c. granting clause established in the will.
  - d. court action known as probate.
  
15. When the grantor does not wish to convey certain property rights, he or she
  - a. must note the exceptions in a separate document.
  - b. may not do so, as the deed conveys the entire premises.
  - c. may note the exceptions in the deed of conveyance.
  - d. must convey the entire premises and have the grantee reconvey the rights to be retained by the grantor.

16. Francine bought acreage in a distant county, never went to see it, and did not use it, although she regularly paid the real estate taxes on it. Without Francine's knowledge LaVerne moved her mobile home onto the property, drilled a well for water, and lived there for many years. Laverne may have become the owner of the acreage if she has complied with state laws regarding
- intestate succession.
  - adverse possession.
  - the statute of frauds.
  - the statute of limitations.
17. In which of the following situations could a quitclaim deed *NOT* be used?
- To convey title
  - To release a nominal real estate interest
  - To remove a cloud on title
  - To warrant that a title is valid
18. Under the terms of a trust established by a will, the trustee is required to sell the real estate the trust holds. The deed that will be delivered at settlement of such a sale is a
- deed of release.
  - warranty deed.
  - trustee's deed.
  - trustor's deed.
19. Grantee is to a deed as devisee is to a
- trust.
  - will.
  - estate.
  - leasehold.

20. All of the following are requirements for acquiring ownership of property by adverse possession EXCEPT
- a. Occupancy of the property must be without the owner's consent.
  - b. Occupancy must be continuous and over a specified period of time.
  - c. The person in possession must compensate the owner.
  - d. The person in possession must occupy the property openly rather than secretly.
21. A deed must be signed by the
- a. grantor.
  - b. grantee.
  - c. grantor and grantee.
  - d. grantee and two witnesses.
22. Normally a deed will be considered valid even if
- a. it is signed by the attorney-in-fact of the seller.
  - b. the grantor is not a legal entity.
  - c. the grantor is a minor.
  - d. the grantor did not deliver the deed.
23. In order for a deed to be valid
- a. the grantor must be legally competent.
  - b. the signature of the grantor must be witnessed.
  - c. the deed must be recorded.
  - d. the grantee must sign the deed.
24. The seller conveyed a quitclaim deed to the buyer. Upon receipt of the deed, the buyer may be certain that
- a. the seller owned the property.
  - b. there are no encumbrances against the property.
  - c. the buyer now owns the property subject to certain claims of the seller.
  - d. all of the seller's interests in the property belong to the buyer.

25. The type of deed in which the grantor defends the title back to its beginning is
- a. trustee's deed.
  - b. quitclaim deed.
  - c. special warranty deed.
  - d. general warranty deed.
26. Which of the following is true regarding a special warranty deed?
- a. The grantor is making additional warranties beyond those given in a warranty deed.
  - b. The grantor retains an interest in the ownership.
  - c. The grantor is warranting that no encumbrances exist against the property.
  - d. The grantor's warranties are limited to the time the grantor owned the property.
27. What will happen to real estate when its deceased owner did not write a will and has no heirs?
- a. The ownership will pass by devise.
  - b. The ownership will escheat.
  - c. The courts will seize the ownership.
  - d. The ownership will revert to the previous owner.
28. A person owned a parcel of land. Subsequent to the owner's death the probate court determined the distribution of the land in accordance with the state's statutes. This process is known as
- a. escheat.
  - b. probate.
  - c. condemnation
  - d. adverse possession
29. Which of the following is an involuntary alienation of property?
- a. Quitclaim
  - b. Inheritance
  - c. Condemnation
  - d. Gift

30. The type of deed in which the granting clause states "grant, bargain, and sell" is a
- a. special warranty deed.
  - b. bargain and sale deed.
  - c. general warranty deed.
  - d. reconveyance deed.
31. The type of deed in which the granting clause states "remise, release, alienate, and convey" is a
- a. special warranty deed.
  - b. bargain and sale deed.
  - c. quitclaim deed.
  - d. sheriff's deed.
32. Which of the following is a voluntary alienation of the property?
- a. adverse possession
  - b. condemnation
  - c. foreclosure
  - d. owner selling the property
33. Which of the following is an example of involuntary alienation?
- a. Selling a property to pay off debts
  - b. Giving a piece of land to the zoo
  - c. Having a piece of land sold for delinquent taxes
  - d. Letting another person plant crops on an unused portion of a piece of land
34. The clause in the deed that conveys the rights and privileges of ownership is called the
- a. habendum clause.
  - b. appurtenance clause.
  - c. granting clause.
  - d. acknowledgment.

35. A deed states that the grantors are conveying all their rights and interests to the grantees to have and to hold. This is communicated in the
- a. acknowledgment clause.
  - b. restriction clause.
  - c. covenant of seizen.
  - d. habendum clause.