

Do I know what I think I know?

Pre-Test

1. According to the TAR Purchase and Sale Agreement (RF401), if present when property goes under contract, all light fixtures are to have bulbs in them at closing, unless otherwise negotiated.
 - a. True
 - b. False
2. According to the TAR Purchase and Sale Agreement (RF401), if present, an entry key is included as part of the property?
 - a. True
 - b. False
3. On the TAR Purchase and Sale Agreement (RF401), under the section, "Other items that REMAIN with the Property at no additional cost to Buyer:" it is recommended to use the following language:
 - a. As per MLS # (fill in the appropriate MLS number)
 - b. As per the Property Condition Disclosure
 - c. Stainless steel refrigerator, manufacturer: Fabulous Fridges model: The Great Chiller
 - d. None of the above
4. According to the TAR Purchase and Sale Agreement (RF401), fuel, if any, will be adjusted and charged to the buyer and credited to the seller at closing, at current market prices.
 - a. True
 - b. False
5. According to the TAR Purchase and Sale Agreement (RF401), if the appraised value does not equal or exceed the Purchase Price, the purchase price must be renegotiated and the transaction will proceed to closing.
 - a. True
 - b. False
6. According to the TAR Purchase and Sale Agreement (RF401) in a "Financing Contingency Waived" transaction and the buyer wants to have an appraisal, how many days does the buyer have to provide the seller with the appraisers name and telephone number and proof that the appraisal was ordered?
 - a. 3
 - b. 5
 - c. 7
 - d. 14
 - e. 20
7. In the above scenario, if the buyer fails to notify the seller of this information, there is a scenario that could cause the buyer to be in default?
 - a. True
 - b. False

8. According to the TAR Purchase and Sale Agreement (RF401), seller shall pay the following expenses:
 - a. All existing loans affecting the property, including all penalties
 - b. All existing liens affecting the property, including all penalties
 - c. Fee for preparation of deed and notary fee on deed
 - d. All of the above
 - e. None of the above

9. According to the TAR Purchase and Sale Agreement (RF401), the buyer shall pay, unless otherwise negotiated:
 - a. Transfer taxes & recording fees
 - b. Hazard & Flood insurance
 - c. Re-inspection fees pursuant to appraisal
 - d. All of the above
 - e. None of the above

10. According to the TAR Purchase and Sale Agreement (RF401), cost of title search, mortgagee's policy and owner's policy shall be paid by the Buyer.
 - a. True
 - b. False

11. The Special Stipulation Section of the TAR Purchase and Sale Agreement (RF401) is where you place language to ask the seller to pay the buyer's closing costs?
 - a. True
 - b. False

12. According to the TAR Purchase and Sale Agreement (RF401), Lender is defined as:
 - a. Local loan originator, originating the loan
 - b. Mortgage Broker, brokering the loan
 - c. Financial Institution, funding the loan
 - d. All of the above
 - e. None of the above

13. According to the TAR Purchase and Sale Agreement (RF401), buyer has how many days to make application for the loan, notify the seller or the seller's representative of having applied for the loan, provide lender's name and contact information and that buyer has paid for the credit report?
 - a. 3
 - b. 5
 - c. 7
 - d. 14
 - e. 20

14. According to the TAR Purchase and Sale Agreement (RF401), buyer has how many days after the Binding Agreement Date to warrant and represent to the Seller that they have secured evidence of hazard insurance, notified Lender of intent to proceed and affirms that the appraisal fee has been paid
- 3
 - 5
 - 7
 - 14
 - 20
15. According to the TAR Purchase and Sale Agreement (RF401), the buyer can be considered in default if they do not furnish seller written evidence of loan application, by way of providing lender's name and contact information, notification that buyer has instructed lender to order credit report within two days after receiving seller's written demand for compliance.
- True
 - False
16. According to the TAR Purchase and Sale Agreement (RF401), what happens when a buyer is in default?
- Earnest/Trust money shall be forfeited as complete payment to the Seller
 - Earnest/Trust money shall be applied to the seller's attorney fees
 - Earnest/Trust money shall be forfeited as damages to Seller and shall be applied as a credit against Seller's damages.
 - None of the above
17. According to the TAR Purchase and Sale Agreement (RF401), the buyer can be considered in default if they do not warrant and represent to the seller that they have secured evidence of hazard insurance to be effective at closing, notified lender of their intent to proceed, requested the appraisal be ordered and paid the appraisal fee in the timeframe preprinted on the document.
- True
 - False
18. According to the TAR Purchase and Sale Agreement (RF401), the seller has the right to terminate the Agreement if they do not timely receive all notifications required in the Loan Obligations paragraph?
- True
 - False
19. If the buyer instructs you to check the box, "Financing Contingency Waived", does the buyer have the right to obtain a loan?
- Yes
 - No
 - Maybe
20. An "all-cash deal" includes the buyer paying cash for a property once another property closes?
- True
 - False

21. In a financing contingency waived transaction, the buyer can be considered in default if they do not provide proof of funds to the seller within 7 days after the binding agreement date?
- True
 - False
22. Who holds the earnest money?
- Listing Firm
 - Selling Firm
 - Negotiable
 - None of the above
23. According to the TAR Purchase and Sale Agreement (RF401), closing shall occur on or before the _____ day of _____, _____.
- True
 - False
24. According to the TAR Purchase and Sale Agreement (RF401), whether the transaction closes early or later than the date specified in the Agreement, the parties must agree in writing, using the appropriate form?
- True
 - False
 - Late but not early
 - Early but not late
 - None of the above
25. You could lose your license by not having a closing, possession or time limit of the offer date filled in on the TAR Purchase and Sale Agreement (RF401).
- True
 - False
 - Only closing date
 - Only possession date
 - Only time limit of offer date
26. According to the TAR Purchase and Sale Agreement (RF401), who is responsible to pay all homeowner or condominium association transfer fees, related administration fees, capital expenditures/contributions incurred due to the transfer of property?
- Buyer
 - Seller
27. According to the TAR Purchase and Sale Agreement (RF401), how long does a seller have to remedy a title defect once found?
- 7 days prior to closing
 - 14 days prior to closing
 - 20 days prior to closing
 - Prior to closing
 - None of the above
28. Most title companies have standard exceptions to their title policies.
- True
 - False

29. According to the TAR Purchase and Sale Agreement (RF401), either a TN Residential Property Condition Disclosure (RF201), Exemption (RF203) or Disclaimer (RF204), will be provided
- prior to the binding agreement date
 - prior to showing the property
 - prior to the signing of the offer to purchase
 - none of the above
30. Which of the above referenced forms (RF201, RF203, RF204) requires the buyer to waive their statutory rights to a Residential property Condition Disclosure?
31. According to the TAR Purchase and Sale Agreement (RF401), if a buyer elects to contract with a third party inspector to obtain a home inspection, as defined by TN state law, the inspection shall be conducted by a licensed home inspector.
- True
 - False
32. According to the TAR Purchase and Sale Agreement (RF401), all inspections including the Wood Destroying Insect Infestation Report (Termite Letter) are to be made at the buyer's expense, during the Initial Inspection Period, unless otherwise stipulated.
- True
 - False
33. According to the TAR Purchase and Sale Agreement (RF401), the Wood Destroying Insect Infestation Report (Termite Letter) inspection includes the garage, each dwelling and other permanent structures.
- True
 - False
34. According to the TAR Purchase and Sale Agreement (RF401), which of the following inspections is not legally permissible and not permitted under the Inspection Section?
- "Home Inspection" performed by a licensed inspector
 - "Home Inspection" performed by a licensed contractor
 - "Home Inspection" performed by Buyer
 - None of the above
35. According to the TAR Purchase and Sale Agreement (RF401), if buyer is exercising #1, the right to terminate due to inspections, under the Buyer's Inspection and Resolution, the buyer must provide seller with a written copy of the home inspection report in order to terminate the Purchase and Sale Agreement?
- True
 - False

36. According to the TAR Purchase and Sale Agreement (RF401), when the Buyer is asking for repairs, the entire home inspection report should be submitted to the seller, highlighting the items causing termination or required for replacement or repairs and noting on the Repair/Replacement Proposal (RF654) to “see highlighted items in the attached inspection report”.
- True
 - False
37. According to the TAR Purchase and Sale Agreement (RF401) if the Buyer and Seller do not reach a mutual written resolution during the Resolution Period or any agreed upon extension of the Resolution Period, the Agreement terminates and Buyer is entitled to an Earnest Money refund.
- True
 - False
38. According to the TAR Purchase and Sale Agreement (RF401), if the buyer checks the Waiver of All Inspections box, the buyer has waived all inspections including the termite inspection?
- True
 - False
39. According to the TAR Purchase and Sale Agreement (RF401), the buyer has the right to conduct the final inspection of the property on the closing date or within _____ days?
- True
 - False
40. According to the TAR Purchase and Sale Agreement (RF401), if the buyer has any concerns concerning survey, flood certification, insurability, water supply, waste disposal, subdivision/condominium declarations, covenants, restrictions or any title exception – these items should be addressed in the special stipulations section of the RF401 using language supplied by TAR legal counsel?
- True
 - False
 - Maybe
41. According to the TAR Purchase and Sale Agreement (RF401), days used throughout the agreement mean business days.
- True
 - False
42. According to the TAR Purchase and Sale Agreement (RF401), in calculating any time period under the agreement, the commencement day shall be the day following the initial date (e.g. Binding Agreement date)?
- True
 - False

43. According to the TAR Purchase and Sale Agreement (RF401), if closing date, possession date, offer expiration date or Completion of Repair Deadline (Repair/Replacement Amendment) occurs on a Saturday, Sunday or legal holiday, the performance deadline shall extend to the next following business day.
- True
 - False
44. According to the TAR Purchase and Sale Agreement (RF401), notice may be delivered:
- In person
 - Prepaid overnight delivery service
 - Fax
 - USPS, postage prepaid, registered or certified return receipt requested
 - Email
 - Telephone
 - Text
 - All of the above
 - Only a-e
45. You must have a time limit of the offer filled in on the TAR Purchase and Sale Agreement (RF401).
- True
 - False
46. Scenario: My buyer submits an offer to your seller, your seller counter-offers. My buyer counters your seller's counter offer, your seller accepts. Who fills in the binding agreement date (binds the contract)?
47. A VA buyer cannot pay for a wood destroying insect infestation report (termite letter)?
- True
 - False
48. You may have more than one RF656- Notification Form in an individual transaction file?
- True
 - False
49. RF654- Repair/Replacement Proposal forms should be sent over to the Lender as part of the Purchase and Sale Agreement?
- True
 - False
50. RF712- Get a Home Inspection and Property Survey form should be used with each transaction?
- True
 - False
51. Using an RF711-Vendor List could assist you if problems arise when referring vendors such as lenders, home inspectors, title companies, plumbers, etc.?
- True
 - False