

**REAL ESTATE PRINCIPLES
VOCABULARY TEST #C- ANSWER KEY**

Word List

1	Abandonment	51	Hypothecate
2	Access Right	52	Income approach to value
3	Adjusted basis	53	Incurable depreciation
4	Administrator	54	Land contract
5	Alienation clause	55	Lease
6	Annual percentage rate (APR)	56	Lessor
7	Appraised value	57	Living trust
8	Appreciation	58	Loan origination fee
9	Beneficiary	59	Loan-to-value ratio (LTV)
10	Book value	60	Lot & block method
11	Building code	61	Mortgage Insurance Premium (MIP)
12	Buying "Subject to"	62	Non-Conforming Use
13	Capital gain	63	Notice to Quit
14	Cash flow	64	Novation
15	Closing statement	65	Opportunity cost
16	Color of title	66	Package Mortgage
17	Community property	67	Percentage lease
18	Comparison method	68	Power of attorney
19	Conditional commitment	69	Prepaid items
20	Conformity	70	Prepayment clause
21	Constructive eviction	71	Property manager
22	Contract	72	Proration
23	Conversion	73	Puffing
24	Cost approach to value	74	Quiet enjoyment
25	Declaration of homestead	75	Real Estate Investment Trust (REIT)
26	Deed of trust	76	Regulation Z (Reg Z)
27	Depreciation	77	Reliction
28	Dept of Housing & Urban Development (HUD)	78	Replacement cost
29	Discount points	79	Reserves for Replacement
30	Easement by Prescription	80	Residential member (RM)
31	Economic life	81	Sales price
32	Effective age	82	Scheduled gross income (GSI)
33	Elements of value	83	Section
34	Employee	84	Security deposit
35	Encroachment	85	Square foot
36	Equitable title	86	Steering
37	Estoppel Certificate	87	Straight-line depreciation
38	Exchange	88	Subordination clause
39	Executed contract	89	Substitution
40	Federal Home Loan Mortgage Corp (FHLMC)	90	Syndicate
41	Federal Housing Administration (FHA)	91	Tenancy from period-to-period
42	Floor joists	92	Trustee
43	Foreclosure	93	Trustor
44	Fraud	94	Uniform commercial code (UCC)
45	Functional obsolescence	95	Usury
46	Government National Mortgage Assn (GNMA)	96	Voidable contract
47	Graduated lease	97	Will
48	Gross rent multiplier (GRM)	98	Wraparound mortgage
49	Ground lease	99	Zone
50	Highest and best use	100	Zoning