

Name _____

Real Estate Transactions Unveiled: Contracts and Disclosures

Multiple Choice Questions

1. What is a contract in a real estate transaction?
 - a) A non-binding agreement between the buyer and seller
 - b) A legally binding agreement outlining the terms and conditions of the transaction
 - c) A negotiation process with no legal implications
 - d) An optional document in real estate transactions

2. What is a contingency in a real estate contract?
 - a) A type of insurance for the property
 - b) A condition that must be met for the contract to proceed
 - c) A down payment made by the buyer
 - d) A fee paid to the real estate agent

3. What is earnest money in a real estate transaction?
 - a) The cost of homeowners insurance
 - b) A fee paid to the seller
 - c) A deposit by the buyer to show commitment to the purchase
 - d) A monthly mortgage payment

4. What are seller disclosures in a real estate transaction?
 - a) A list of buyer preferences
 - b) Information about the buyer's financial situation
 - c) Disclosures about the property's condition and known issues
 - d) Disclosure of the seller's preferred closing date

5. What does buyer due diligence involve in a real estate transaction?
 - a) Conducting a title search
 - b) Securing financing
 - c) Thorough research and inspections to make an informed decision
 - d) Negotiating the purchase price

