



HUD Exam Prep Questions And Answers Rated (A+) DOWNLOAD TO PASS!!!!

Quiz :% Impact of Account Payment History on Credit Score - Answer :35% portion of credit score based on the payment history of accounts, including late payments, delinquencies, judgments, and liens

Quiz :% Impact of Amounts Owed on Accounts on Credit Score - Answer :30% portion of score based on the ratio of total credit extended to the amount of credit owed

Quiz :% Impact of Length of Credit History on Credit Score - Answer :15% portion of score based on the overall length of credit history in the report, as well as average age of accounts

Quiz :% Impact of Types of Credit Used on Credit Score - Answer :10% portion of score based on the variety of accounts

Quiz :% Impact of New Credit on Credit Score - Answer :10% portion of score based on the number of recent credit inquiries

Quiz :1.1.1) All of the following would help a counselor develop a realistic household budget, except:

- A. Payment information for a paid-off car
- B. Amount spent on groceries
- C. Rent payment information
- D. Monthly cable bill - Answer :A

Quiz :1.1.2) All of the following are reasons why it is important for a client to track income and expenses before finalizing a budget, except:

- A. It helps show clients that they actually spend less on some expenses than they think.
- B. It helps identify spending habits.
- C. It helps show clients that their spending and expenses are out of control.
- D. It helps define realistic and attainable goals and timelines. - Answer :C

Quiz :1.1.3) Which of the following is a "want" and not a "need"?

- A. Health care premium
- B. Car insurance
- C. Gym membership

the car. How many months will he need to save this amount?

- A. At least 4
- B. At least 5
- C. At least 6
- D. At least 7 - Answer :B

Quiz :1.2.1) Which section of a credit report will contain employer details?

- A. Consumer rights
- B. Account information
- C. Personal information
- D. Public records
- E. Inquiries - Answer :C

Quiz :1.2.2) Which section of a credit report will contain information about a student loan?

- A. Personal information
- B. Public records
- C. Inquiries
- D. Consumer rights
- E. Account information - Answer :E

Quiz :1.2.3) Which section of a credit report will contain court information such as bankruptcy?

- A. Public records
- B. Inquiries
- C. Personal information
- D. Consumer rights
- E. Account information - Answer :A

Quiz :1.2.4) Which section of a credit report will show recent attempts to open a credit card?

- A. Personal information
- B. Public records
- C. Consumer rights
- D. Inquiries
- E. Account information - Answer :D

Quiz :1.2.5) Which section of a credit report will contain information about how to correct inaccuracies?

- A. Personal information



Quiz :Formula for Front-End Ratio - Answer := Monthly Housing Expenses/Gross Monthly Income

Quiz :What are Monthly Housing Expenses? - Answer :Principle
Interest
Taxes
Insurance
Association dues

Quiz :2.1.4) A couple, the Smiths, recently scheduled a meeting with Rebecca. They have owned their home for seven years and have accumulated some equity in the home. However, they are now struggling to pay their mortgage, because the wife left her full-time job when she had a baby. Her husband's salary is paid in installments of \$900 a week, which are subject to deductions and other withholdings. Each month, they pay \$1,000 in principal and interest, \$110 for taxes, \$130 for insurance, and \$20 in hom - Answer :A

Quiz :2.1.5) Husband's salary is paid in installments of \$900 a week, which are subject to deductions and other withholdings. Option rent a home that is smaller and more affordable. If the Smiths decide to do this, they will no longer have a mortgage, so what is the maximum amount that they can afford to pay in rent and renters insurance each month?

- A. \$870
- B. \$1,092
- C. \$1,152
- D. \$1,170 - Answer :D

Quiz :2.1.6) husband 's salary is paid in installments of \$900 a week, which are subject to deductions and other withholdings. If the Smiths sell their home and purchase a more affordable property, what is the maximum amount that is affordable for the Smiths to pay in PITIA each month if they obtained a conventional loan?

- A. \$870
- B. \$1,092
- C. \$1,152
- D. \$1,170 - Answer :B

Quiz :2.1.7) The Smiths explain to Rebecca that they've already found a smaller, more affordable home

___ 1. A landlord imposes a higher security deposit on a family with two children, even though the family otherwise meets the criteria for tenancy, income, and credit history

- A. Familial Status
- B. Race
- C. Religion
- D. Disability
- E. Sex
- F. Color
- G. National Origin - Answer :A

Quiz :3.1.5) Which protected characteristic is being discriminated against

___ 2. A lender only offers adjustable rate mortgages with steep interest rates to Afghanis, but this same lender offers more flexible financing to all other loan applicants.

- A. Familial Status
- B. Race
- C. Religion
- D. Disability
- E. Sex
- F. Color
- G. National Origin - Answer :C

Quiz :3.1.5) Which protected characteristic is being discriminated against

___ 3. A realtor shows an Asian Indian family housing only in Asian Indian neighborhoods and refuses to show the family houses in predominantly white neighborhoods.

- A. Familial Status
- B. Race
- C. Religion
- D. Disability
- E. Sex
- F. Color
- G. National Origin - Answer :B

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Page 22 of 43

3- A

4- A

Quiz :3.2.1) Which HUD program provides annual funding to state and local agencies that enforce fair housing laws that are substantially equivalent to the Fair Housing Act? These funds go toward an agency's capacity building, administrative costs, investigative and enforcement efforts, training, and other projects designed to support enforcement of fair housing laws.

A. Fair Housing Initiatives Program (FHIP)

B. Fair Housing Assistance Program (FHAP) - Answer :B

Quiz :3.2.2) Which HUD program provides funding to fair housing organizations and nonprofits that assist people who may have been victims of housing discrimination?

A. Fair Housing Initiatives Program (FHIP)

B. Fair Housing Assistance Program (FHAP) - Answer :A

Quiz :3.2.3) Select which phase of the investigation and charge process is described below:

___ 1. HUD interviews the complainant; the respondent and pertinent witnesses; collects relevant documents and/or conducts site visits; and continually offers and engages conciliation.

A. Intake

B. Filing

C. Investigation

D. Pre-determination Conciliation - Answer :C

Quiz :3.2.3) Select which phase of the investigation and charge process is described below:

___ 2. After a complainant submits a complaint, an intake specialist reviews the information to determine if the allegation involves a possible violation of Fair Housing Act and is within HUD's jurisdiction

- Homebuyers are unable to obtain other financing but have reasonable credit.
- Loan terms can go up to 33 years, though exceptions allow for loan terms up to 38 years if certain income criteria apply

Quiz :Fixed rate mortgage - Answer :typically paid off in 30 years, has an interest rate that does not fluctuate. It stays the same over the life of the loan. You can count on your payments being the same for the next 30 years. Some people get a 15-year or other term, but these have higher monthly payments since you're paying off the mortgage faster

Quiz :Adjustable rate mortgages - Answer :have an initial interest rate that applies for a defined period of time (typically from one month to 10 years) and then adjusts at pre-determined intervals for the life of the loan. Interest rates can increase or decrease when they are adjusted, but there are caps on how large an adjustment can be.

Quiz :Overview of FHA mortgage loans - Answer :Back-end Ratio 43%

Mortgage Insurance: up-front + annual premium

Non-traditional credit accepted

Down payment 3.5% & can be gifted

LTV 96.5%

Credit Score min. 580, mostly 640

Grant/subsidy is allowed

Quiz :Overview of VA mortgage loans - Answer :Back-end Ratio 43%

Guaranty Fee (mortgage ins.) financed into loan

Non-traditional credit accepted

Down payment 0%

LTV 100%

Credit Score NO MINIMUM

Grant/subsidy is allowed

Quiz :Overview of USDA mortgage loans - Answer :Back-end Ratio 43%

Guaranty Fee (mortgage ins.) financed into loan + annual premium

Non-traditional credit accepted

Down payment 0%

LTV 100%

Credit Score min 600

Grant/subsidy is allowed

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page 31 of 43

C. An insurance agent is also known as a settlement agent.

D. A home inspector is generally paid by the buyer - Answer :D

Quiz :Earnest Money - Answer :When buyers and sellers reach an agreement on a price and terms of the deal, the buyers will give the sellers a check with earnest money. The purpose of the check is to prove the buyers' sincere intent to purchase the home. The amount offered typically ranges by region, from as low as 1% of the sales price to as high as 10%, and can be negotiated. A higher amount shows greater intent to buy

Quiz :What are the 9-Steps to Homebuying Process - Answer :1- Determine if homeownership is right for the client (housing counselor assistance)
 2- Figure out how much the client can afford (housing counselor assistance)
 3- Help clients understand their rights (housing counselor assistance)
 4- Shop for home (homebuying team)
 5- Make offer (homebuying team)
 6- Obtain financing (homebuying team)
 7- Get home inspection (homebuying team)
 8- Purchase homeowner's insurance (homebuying team)
 9- Close on home (homebuying team)

Quiz :Loan Origination Fees - Answer :A charge by the lender to cover the administrative costs of making the mortgage. This charge is paid at the closing and varies with the lender and type of loan. A loan origination fee of 1 to 2% of the mortgage amount is common.

Quiz :Discount Points - Answer :A type of pre-paid interest normally paid at closing and generally calculated to be equivalent to 1% of the total loan amount. The borrower pays them to reduce the interest rate on a loan. You can purchase a lender-determined number of discount points to give you a lower rate and lower monthly mortgage payment.