

Contract Law

1. What characterizes an Estate for Years?

- A) It has a specific start and end date.
- B) It lasts for an indefinite period.
- C) It automatically renews until terminated.
- D) It requires a notice to terminate each time

2. Which type of lease allows the tenant to remain until proper notice is given?

- A) Ground Lease
- B) Estate for Years
- C) Periodic Estate
- D) Estate at Sufferance

3. In which type of lease can either party end the tenancy with minimal notice?

- A) Estate at Will
- B) Gross Lease
- C) Estate for Years
- D) Ground Lease

4. What is the tenant's responsibility in a Gross Lease?

- A) Handling maintenance and repairs.
- B) Paying only fixed rent with no additional costs.
- C) Paying base rent plus property taxes.
- D) Covering all operating expenses.

5. What is an Estate at Sufferance?

- A) The lease automatically renews each month.
- B) Termination requires a lengthy notice period.
- C) The tenant has explicit consent from the landlord.
- D) The tenant remains after the lease term without consent

6. What is typical of a Ground Lease?

- A) It has a fixed rent with no terms for improvements.
- B) It lasts for a short-term rental agreement.
- C) It usually lasts for many years and can include development rights.
- D) It involves leasing a property with no construction rights.

7. Which lease type requires the tenant to pay base rent plus property taxes?

- A) Periodic Estate
- B) Gross Lease
- C) Net Lease
- D) Estate at Will

8. What is the key aspect of a Periodic Estate in terms of renewal?

- A) It requires annual renewal agreements.
- B) It automatically terminates at a set date.
- C) It has no specific term and ends without notice.
- D) It continues until terminated with proper notice.

9. What is the main responsibility of the tenant in a Double Net Lease?

- A) Base rent and a percentage of sales
- B) Base rent for land only
- C) Base rent plus all maintenance costs
- D) Base rent plus property taxes and insurance

10. Who is primarily responsible for all costs associated with the property in an Absolute Net Lease?

- A) Only property taxes are the tenant's responsibility
- B) Both parties share all expenses equally
- C) The tenant is fully responsible for costs
- D) The landlord covers all expenses

11. In a Modified Gross Lease, what are the tenant's obligations?

- A) Only pay base rent
- B) Pay a fixed base rent and some operating expenses
- C) Pay a declining base rent over time
- D) Cover all property-related expenses

12. What is the role of a principal in a contract agreement?

- A) Authorizes another party to act on their behalf
- B) Responsible for the actions taken by the agent within the scope of their authority.
- C) Only carries out financial transactions
- D) Both A & B

13. What is the primary duty of a fiduciary in a property management scenario?

- A) Act in the best interests of the property owner
- B) Maximize their own profit from property transactions
- C) Negotiate lease terms only for themselves
- D) Oversee all tenant interactions personally

14. Which of the following best describes a bilateral agreement?

- A) An agreement in which both parties make mutual promises
- B) An agreement where only one party has obligations
- C) A contract that is valid only if signed by a third party
- D) A verbal contract without any signed documentation

15. Which lease type allows tenants to only lease the land and put their own mobile home on?

- A) Sublease
- B) Land Lease
- C) Modified Ground Lease
- D) Absolute Estate Lease

- 16. What does a 'meeting of the minds' signify in a contract?**
- A) The contract can be changed unilaterally by one party
 - B) That one party is dominant over the other in negotiations
 - C) The contract is enforceable without any signatures
 - D) All parties understand each other's obligations clearly
- 17. What role does a property manager primarily serve?**
- A) They develop long-term strategies for property investment
 - B) They oversee legal aspects of property transactions
 - C) They handle leasing, tenant relations, and maintenance
 - D) They evaluate environmental impacts of properties
- 18. Which of the following statements about lead-based paint disclosures is accurate?**
- A) Not required for apartment buildings with more than 10 units
 - B) Required for residential buildings constructed after 1978
 - C) Required for all tenants renting in a building currently under construction
 - D) Required for residential buildings constructed before 1978
- 19. What is a tenancy at sufferance?**
- A) The property is abandoned by the tenant.
 - B) A tenant continues to occupy the property after the lease expires.
 - C) The tenant has a verbal agreement for continued stay.
 - D) A tenant is evicted without notice.
- 20. Which relationship is considered a fiduciary relationship in property management?**
- A) Tenant and landlord
 - B) Property manager and owner
 - C) Property manager and tenant
 - D) Tenant and contractor

21. What type of agreement is formed when Bob rents a duplex to Lisa for a one-year period?

- A) Bilateral agreement
- B) Verbal agreement
- C) Conditional agreement
- D) Unilateral agreement

22. What are the three requirements for a valid lease?

- A) Deposit Payment, Lease Duration, Property Inspection
- B) Written Document, Witness, Maximum Rent
- C) Offer and Acceptance, Valid Consideration, Capacity to Contract
- D) Tenant and Landlord Signatures, Duration, Terms of Use