

- 1 The Smiths and the Johnsons have agreed to cancel out the old contract and substitute it for a new one. This substitution process is called:
 - A. Recission
 - B. Novation
 - C. Waiver
 - D. Assignment
- 2 When a court of law awards damages beyond actual damages in order to punish one of the parties, those damages are also called:
 - A. Punitive damages
 - B. Liquidated damages
 - C. Injunction
 - D. Compensatory damages
- 3 In order for "Acceptance" to have occurred, the acceptance must be:
 - A. Signed
 - B. Communicated to the Offeror
 - C. Both signed and communicated to the Offeror
 - D. None of the above
- 4 The Johnsons are suing the Smiths for specific performance. What are they seeking from the court:
 - A. Monetary damages
 - B. Liquidated damages
 - C. Both monetary and liquidated damages
 - D. For the Smiths to have to complete the contract as agreed
- 5 Failing to perform the duties owed by contract is called:
 - A. Breach of Contract
 - B. Specific performance
 - C. Injunction
 - D. Liquidated damages
- 6 A contract that is created by the actions of the parties is call a(n)
 - A. Express Contract
 - B. Implied Contract
 - C. Executed Contract
 - D. Executory Contract
- 7 A contract that is created by either oral or written words is called a(n) :
 - A. Express Contract
 - B. Implied Contract
 - C. Executed Contract
 - D. Executory Contract
- 8 Sam Smith can withdraw his offer to purchase the office building:
 - A. Any time prior to Acceptance
 - B. Any time until the seller receives the offer
 - C. Any time before the contract is fully executed
 - D. After the response time on the contract has expired
- 9 The Statute of Frauds:
 - A. Spells out the definition of mortgage fraud
 - B. Stipulates that all real estate contracts must be in writing
 - C. Stipulates that all leases over 12 months must be in writing
 - D. Both B and C
- 10 Sam Smith presents an offer to purchase an office building. He is the:
 - A. Offeree
 - B. Offeror
 - C. Executor
 - D. Trustor

Thursday, August 29, 2019