

- 1** The number of days a taxpayer has to identify potential replacement properties is:
A. 10
B. 30
C. 45
D. 60
- 2** Money or property given to make up the difference in value or equity in a 1031 Exchange is called:
A. Boot
B. An Equity exchange
C. Hypothecation
D. Depreciation
- 3** A tax-deferred exchange is called a:
A. Real Estate Investment Syndicate
B. A Real Estate Investment Trust
C. Real Estate Mortgage Investment Conduit
D. 1031 Exchange
- 4** To calculate Cost Basis, one must calculate:
A. Purchase Price plus Acquisition Cost
B. Acquisition Cost plus Tax Basis
C. Capital Gain plus Tax Basis
D. Adjusted Cost Basis plus Straight-line Depreciation
- 5** Depreciation taken periodically in equal amounts over an asset's useful life is called:
A. Capital gain
B. A 1031 Exchange
C. A REIT
D. Straight-line
- 6** Basis can be defined as:
A. A property's cost basis
B. The difference between the adjusted basis of a property and its net selling price
C. The investor's acquisition cost
D. The investor's initial cost
- 7** Another name for depreciation is:
A. Cost basis
B. Cost recovery
C. Capital Gain
D. Adjusted cost basis
- 8** Equity refers to:
A. The value of the property owned plus outstanding liens
B. The value of the property owned minus outstanding liens
C. The taxable gain
D. The tax assessed value
- 9** To calculate capital gain, we must calculate the:
A. Cost basis minus depreciation minus the sales price
B. Cost recovery minus depreciation minus sales price
C. Adjusted cost basis minus cost basis minus taxable gain
D. Acquisition cost plus cost basis minus depreciation
- 10** Capital Gain can be defined as:
A. A property's cost basis
B. The difference between the adjusted basis of a property and its net selling price
C. The investor's acquisition cost
D. Cost recovery

11 One of the tax benefits of home ownership is:

- A. Mortgage Interest Deduction is tax deductible
- B. Closing costs paid on a transaction are tax deductible
- C. Property taxes paid are tax deductible
- D. All of the above

1.C 2.A 3.D 4.A 5.D 6.D 7.B 8.B 9.A 10.B 1.C 2.A 3.D 4.A 5.D 6.D 7.B 8.B 9.A 10.B 11.D
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