

Chapter 3—Rights and Interests in Land

MULTIPLE CHOICE

1. Property taxes are characteristic of the
 - a. allodial system of land ownership.
 - b. feudal system of land ownership.
 - c. Napoleonic system of land ownership.
 - d. English common system of land ownership.

ANS: A

Property taxes are characteristic of the allodial system of land ownership.

PTS: 1 DIF: M REF: 33 | 33

2. The power of governments to appropriate private property for the public welfare is known as
 - a. zoning.
 - b. eminent domain.
 - c. appropriation.
 - d. police power.

ANS: B

The power of government to appropriate private property is eminent domain.

PTS: 1 DIF: M REF: 35 | 33

3. By what action does the government take property for public use?
 - a. Condemnation
 - b. Adverse possession
 - c. Zoning
 - d. Public vote

ANS: A

The government takes property for public use by condemnation.

PTS: 1 DIF: M REF: 35 | 33

4. By what power do government bodies enforce zoning?
 - a. Eminent domain
 - b. Condemnation
 - c. Dominant estate
 - d. Police power

ANS: D

Government bodies enforce zoning by police power.

PTS: 1 DIF: M REF: 35 | 35

5. The government receives the authority to take the property of one who dies without a will and without heirs by virtue of
 - a. laws of agency.
 - b. eminent domain.
 - c. police power.
 - d. escheat.

ANS: D

He authority to take the property of one who dies without a will and without heirs is called escheat.

PTS: 1 DIF: M REF: 36 | 35

6. A woman who lived in a retirement home and had no relatives, told her friend that she wanted her to have all of her property after she died, however she never made a will. Upon her death, her estate would
- pass to the friend, since that was her wish.
 - pass to the retirement home where she lived.
 - escheat to the state.
 - pass to an entity determined by the probate court.

ANS: C

Without a will or relatives, her property would escheat to the state.

PTS: 1 DIF: M REF: 36 | 35

7. The greatest estate or ownership in real property is
- an estate at sufferance.
 - a fee simple estate.
 - a life estate.
 - a qualified estate.

ANS: B

The greatest estate or ownership in real property is a fee simple estate.

PTS: 1 DIF: M REF: 36 | 35

8. Which estate is the most complete estate to own?
- Fee simple estate
 - Qualified fee
 - Less than freehold
 - Life estate

ANS: A

The most complete estate to own is a fee simple estate.

PTS: 1 DIF: M REF: 36 | 35

9. A property owner who holds fee simple title to land will have all of the following “sticks” in his bundle of rights EXCEPT the right to
- occupy and use it.
 - restrict the use of it.
 - devise it.
 - violate building, health and safety codes.

ANS: D

The property owner can not violate building, health and safety codes.

PTS: 1 DIF: M REF: 36 | 37

10. An example of an encumbrance would be
- a servient estate.

- b. a dominant estate.
- c. a life estate.
- d. an easement in gross.

ANS: D

This is an encumbrance to the land owner.

PTS: 1 DIF: M REF: 39 | 39

11. An encumbrance which becomes a lien on real property could be created by
- a. restrictive covenants.
 - b. granting a license.
 - c. an encroachment.
 - d. special assessments.

ANS: D

An encumbrance which becomes a lien on real property could be created by a special assessment.

PTS: 1 DIF: M REF: 40 | 42

12. Termination of an easement appurtenant may be accomplished
- a. by the servient tenement when he has another use for the land.
 - b. when the purpose of the easement no longer exists.
 - c. by a court of law when no longer used.
 - d. unilaterally by the holder of the servient tenement.

ANS: B

Termination of an easement appurtenant may be accomplished when the purpose of the easement no longer exists.

PTS: 1 DIF: M REF: 40 | 39

13. An easement appurtenant may be terminated
- a. by merger of the dominant and servient estates.
 - b. by court action when the dominant tenement changes.
 - c. by continuous use.
 - d. unilaterally by the holder of the servient tenement.

ANS: A

An easement appurtenant may be terminated by merger of the dominant and servient estates.

PTS: 1 DIF: H REF: 40 | 39

14. An easement may be cancelled by all of the following EXCEPT
- a. the servient tenement.
 - b. the dominant tenement.
 - c. acquiring both lots.
 - d. prescription.

ANS: A

An easement may not be cancelled by the servient tenement.

PTS: 1 DIF: M REF: 40 | 39

15. An easement

20. Which entity would be most likely to hold an easement in gross?
- Adjacent property owner
 - A power company
 - A tenant at will
 - A corporation on the same road

ANS: B

A power company would be most likely to hold an easement in gross.

PTS: 1 DIF: M REF: 41 | 39

21. A power company wants to lay a service line across customer properties and must acquire an irrevocable right to do so. This right would be called
- an easement appurtenant.
 - an easement in gross.
 - a license.
 - an irrevocable lien.

ANS: B

This right would be called an easement in gross.

PTS: 1 DIF: M REF: 40 | 39

22. After purchasing a property, the buyers found a neighbor's fence was two feet inside of their property line. If discussion fails to resolve the problem, the buyers should consider filing suit against the
- title company.
 - neighbors to remove the encroachment.
 - neighbors for adverse possession.
 - broker even though he was not aware of the encroachment.

ANS: B

The buyers should consider filing suit against the neighbors to remove the encroachment.

PTS: 1 DIF: M REF: 40 | 40

23. Deed restrictions are examples of
- government limitations on land.
 - private control of land.
 - police power.
 - Increased power in the hands of the zoning authority.

ANS: B

Deed restrictions are examples of private control of land.

PTS: 1 DIF: M REF: 41 | 40

24. Which of the following is a lien on real property?
- Paid property taxes
 - Easements
 - Mortgages
 - Right of way

ANS: C

A mortgage is a lien on real property.

PTS: 1 DIF: M REF: 42 | 42

25. All of the following may constitute a lien on real property EXCEPT
- a mortgage.
 - unpaid real property taxes.
 - a restrictive covenant in a deed.
 - a judgment against the owner.

ANS: C

This is not considered a lien.

PTS: 1 DIF: M REF: 41 | 40

26. A judgment, when properly recorded, becomes
- a voluntary lien.
 - an involuntary lien.
 - a specific lien.
 - a personal lien.

ANS: B

A judgment, when properly recorded, becomes an involuntary lien.

PTS: 1 DIF: M REF: 42 | 42

27. Mrs. Wallock has a life estate for the duration of her own life. She
- can devise it.
 - cannot lease it.
 - can sell it.
 - cannot mortgage it.

ANS: C

Mrs. Coffee can sell the mineral rights.

PTS: 1 DIF: H REF: 44 | 43

28. Which of the following is a non-freehold estate?
- Tenancy by the entirety
 - Tenancy for years
 - estate held by a remainderman
 - Estate in reversion

ANS: B

A tenancy for years is a non-freehold estate.

PTS: 1 DIF: M REF: 46 | 46

29. A property owner leases a house to a tenant until a buyer is found for the house. Such a tenancy is called a
- periodic tenancy.
 - tenancy at will.
 - tenancy in common.
 - tenancy for years.

ANS: B

This would be called a tenancy at will.

PTS: 1 DIF: M REF: 46 | 46

30. A holdover tenancy is most likely created after the expiration of a
- the tenancy in common.
 - joint tenancy.
 - tenancy by the entirety.
 - tenancy for years.

ANS: D

A holdover tenancy is most likely created after the expiration of a tenancy for years.

PTS: 1 DIF: M REF: 47 | 46

TRUE/FALSE

1. Under the feudal system of land ownership, the responsibility for providing services, determining land use, etc., was held by the king.

ANS: T

Under the feudal system, the king controlled the land.

PTS: 1 DIF: M REF: 33 | 33

2. Government rights limit private rights in real property by the use of appropriation.

ANS: F

Government rights include taxation, zoning, eminent domain and police power but not appropriation.

PTS: 1 DIF: M REF: 35 | 33

3. When real property is taken by means of eminent domain, the government has to pay the landowner fair market value.

ANS: T

The government has to pay the landowner fair market value.

PTS: 1 DIF: M REF: 35 | 33

4. Railroads have the right to condemn private property for public use.

ANS: T

Railroads have the right to condemn private property for public use.

PTS: 1 DIF: M REF: 35 | 33

5. A family had a lion as a pet at their home outside the city. When the area became incorporated, the city made him get rid of the lion by their use of police power.

ANS: T

This is an exercise of the city's police power.

PTS: 1 DIF: M REF: 35 | 35

6. A government may acquire ownership of privately held land by patent.

ANS: F

A government may acquire ownership of privately held land by escheat.

PTS: 1 DIF: H REF: 35 | 33

7. If title to real property is said to be fee simple, it can NOT be alienated.

ANS: F

This can be done with fee simple property but it cannot be defeated.

PTS: 1 DIF: M REF: 36 | 35

8. A fee simple estate in real property may not be transferred with a bill of sale.

ANS: T

A fee simple estate in real property may be sold, leased or demised but may not be transferred with a bill of sale.

PTS: 1 DIF: M REF: 36 | 35

9. The greatest estate in real property is a fee simple estate.

ANS: T

Any estate in real property is inferior to a fee simple estate.

PTS: 1 DIF: E REF: 36 | 35

10. The bundle of rights includes the right of escheat.

ANS: F

The bundle of rights includes the right to use, rent or sell, but not escheat.

PTS: 1 DIF: M REF: 36 | 35

11. An encumbrance affects the loan to value ratio.

ANS: F

An encumbrance affects the title.

PTS: 1 DIF: M REF: 40 | 36

12. An easement may be created by a written document granting the right to another.

ANS: T

An easement may be created by a written document granting the right to another.

PTS: 1 DIF: E REF: 40 | 36

13. An easement may be removed from county records by a quit claim deed signed by the owner of the easement.

20. The type of lien used by someone who does work or supplies materials for a home and has not been paid is called a mechanic's lien.

ANS: T

This is called a mechanic's lien.

PTS: 1

DIF: M

REF: 42 | 41

COMPLETION

1. The system under which individuals are given the right to own land is the _____.

ANS: allodial system

PTS: 1

DIF: M

REF: 33 | 33

2. The power of _____ can be used to take land for a public road, public parking or an irrigation district.

ANS: Eminent domain

PTS: 1

DIF: M

REF: 35 | 33

3. A property owner who suffers from a government's exercise of its _____ will not be compensated for her loss.

ANS: police powers

PTS: 1

DIF: M

REF: 35 | 35

4. An estate, which is indefinite in duration, inheritable and transferable, is called a _____ estate.

ANS: fee simple

PTS: 1

DIF: M

REF: 36 | 35

5. The entitlements of fee simple ownership, which exclude those without rights from interfering, are the _____ of rights.

ANS: bundle

PTS: 1

DIF: M

REF: 36 | 35

6. A properly recorded easement on real property is an _____.

ANS: encumbrance

PTS: 1

DIF: M

REF: 37 | 36

7. Concerning the duration of deed restrictions, they _____ with the land.

ANS: run

PTS: 1 DIF: M REF: 41 | 39

8. The person who conveys a life estate to a life tenant controls who receives _____ after the death of the life tenant.

ANS: title

PTS: 1 DIF: M REF: 44 | 43

9. A leasehold estate, which may be _____ by either party at any time, is an estate from period to period.

ANS: terminated

PTS: 1 DIF: M REF: 46 | 46

10. A _____ mortgage lien could not result in the sale of a debtor's real property in order to gain funds for the satisfaction of a debt.

ANS: chattel

PTS: 1 DIF: M REF: 47 | 49

MATCHING

Choose the one most appropriate answer for each.

- | | |
|--------------------------|-------------------------|
| a. allodial system | k. fee simple |
| b. chattel | l. feudal system |
| c. common law | m. freehold estate |
| d. community property | n. homestead protection |
| e. consequential damages | o. lessor |
| f. deed restrictions | p. life estate |
| g. easement | q. periodic tenancy |
| h. eminent domain | r. police power |
| i. encroachment | s. property taxes |
| j. encumbrance | t. severance damages |
-
1. the right of government to take privately held land for fair compensation
 2. the conveyance of fee title for the duration of someone's life
 3. an award to a property owner whose land is not taken but which suffers because of a nearby public land use
 4. taxes levied against privately held land based on its value
 5. the landlord or fee owner
 6. an article of personal property
 7. the right of government to enact law and enforce them for the order, safety, health, morals, and general welfare of the public
 8. an estate in land that is held in fee or for life
 9. compensation for the loss in market value that results from splitting up a property in condemnation proceeding
 10. the largest, most complete bundle of rights one can hold in land, land ownership

11. a tenancy that provides for continuing automatic renewal until canceled
12. law that develops from custom and usage over long periods of time
13. all land ownership rests in the name of the king
14. one in which individuals are given the right to own land
15. provisions placed in deeds to control how future landowners may or may not use the property
16. state laws that protect against the forced sale of a person's home
17. the right or privilege one party has to use land belonging to another for a special purpose
18. any impediment to a clear title such as a lien, lease or easement
19. the unauthorized intrusion of a building or other improvement onto another person's land
20. spouses are treated as equal partners with each owning a one-half interest

1.	ANS: H	PTS: 1	DIF: M	REF: 35 33
2.	ANS: P	PTS: 1	DIF: M	REF: 44 43
3.	ANS: E	PTS: 1	DIF: M	REF: 37 35
4.	ANS: S	PTS: 1	DIF: M	REF: 35 33
5.	ANS: O	PTS: 1	DIF: M	REF: 46 46
6.	ANS: B	PTS: 1	DIF: M	REF: 47 49
7.	ANS: R	PTS: 1	DIF: M	REF: 35 35
8.	ANS: M	PTS: 1	DIF: M	REF: 46 46
9.	ANS: T	PTS: 1	DIF: M	REF: 35 35
10.	ANS: K	PTS: 1	DIF: M	REF: 36 35
11.	ANS: Q	PTS: 1	DIF: M	REF: 47 46
12.	ANS: C	PTS: 1	DIF: M	REF: 47 49
13.	ANS: L	PTS: 1	DIF: M	REF: 33 33
14.	ANS: A	PTS: 1	DIF: M	REF: 33 33
15.	ANS: F	PTS: 1	DIF: M	REF: 41 39
16.	ANS: N	PTS: 1	DIF: M	REF: 45 46
17.	ANS: G	PTS: 1	DIF: M	REF: 40 36
18.	ANS: J	PTS: 1	DIF: M	REF: 40 36
19.	ANS: I	PTS: 1	DIF: M	REF: 40 39
20.	ANS: D	PTS: 1	DIF: M	REF: 45 45