Practice quiz: SAFE Mortgage Loan Originator Test (National Test with Uniform State Content)

10 questions. The answer key is on page 2.

Name _____ Date _____

1. **A lender open Monday through Friday receives all six pieces of application information on a Thursday. No legal public holidays are involved. By what day must it deliver or mail the Loan Estimate?**
   A. The following Tuesday
   B. That Friday
   C. The following Monday
   D. The following Wednesday

2. **A creditor places a Loan Estimate in the mail on a Wednesday. The seven business days are counted from the mailing, not from receipt, starting with the day after mailing. For this count every day except Sunday is a business day, and no legal public holidays are involved. Under the seven-business-day rule alone, what is the earliest day the loan may be consummated?**
   A. The following Thursday
   B. The following Tuesday
   C. The following Wednesday
   D. The following Friday

3. **A Closing Disclosure is handed to the consumers on a Tuesday. No legal public holidays are involved, and nothing changes afterward. What is the earliest day they may consummate the loan?**
   A. Thursday
   B. Saturday
   C. Friday
   D. Monday

4. **A creditor mails the Closing Disclosure on a Monday, has no proof of earlier receipt and will rely on the regulation's receipt rule for mailed disclosures. For this count every day except Sunday is a business day, and no legal public holidays are involved. What is the earliest day the loan may be consummated?**
   A. That week's Thursday
   B. That week's Friday
   C. That week's Saturday
   D. Next week's Monday

5. **After the consumer receives the Closing Disclosure, which change requires a corrected Closing Disclosure and a new three-business-day wait?**
   A. The closing is moved from 10:00 a.m. to 2:00 p.m.
   B. The settlement agent's fee rises by $75
   C. The cash needed to close drops by $400
   D. A prepayment penalty is added

6. **Consummation is set for a Thursday. The lender will hand the revised Loan Estimate to the consumer in person. For this count every day except Sunday is a business day, and no legal public holidays are involved. What is the latest day the consumer can receive the revised Loan Estimate?**
   A. The Friday before
   B. The Monday before
   C. The Saturday before
   D. The Tuesday before

7. **A lender open Monday through Friday issued a Loan Estimate with a floating rate. The borrower locks the rate on a Thursday. No legal public holidays are involved. By when must the lender provide a revised Loan Estimate?**
   A. That Friday
   B. The following Tuesday
   C. That Saturday
   D. The following Monday

8. **A consumer receives a Loan Estimate and waits 12 business days before telling the lender they want to go ahead. The lender set no longer period. What may the lender do?**
   A. Issue a revised Loan Estimate, because the consumer's intent came after 10 business days
   B. Nothing, because the Loan Estimate stays binding on the lender until the loan is consummated
   C. Charge any closing costs it wants without a revised Loan Estimate
   D. Cancel the application, because intent must be given within 3 days

9. **A consumer received the Loan Estimate yesterday but has not yet said whether they want to proceed. The loan officer wants to collect the appraisal fee. What is the right step?**
   A. Collect it now, since the Loan Estimate has been received
   B. Wait until the consumer indicates an intent to proceed
   C. Collect it now, if it is refunded when the loan does not close
   D. Collect it only after the Closing Disclosure is delivered

10. **A borrower faces a bona fide personal financial emergency and wants to close before the three-business-day Closing Disclosure wait ends. How can the wait be waived?**
    A. The borrower signs the lender's preprinted waiver form at closing, with the settlement agent as witness
    B. All consumers primarily liable sign a dated written statement describing the emergency
    C. The loan officer notes the emergency in the file and closes early
    D. The settlement agent and borrower agree by phone to close early

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Answer key

SAFE Mortgage Loan Originator Test (National Test with Uniform State Content). One line of why for each answer.

1. **A** The Loan Estimate is due by the third business day after the application, counted in days the lender is open (1026.19(e)(1)(iii)(A)): Friday 1, Monday 2, Tuesday 3.
2. **A** The Loan Estimate must be delivered or mailed at least seven business days before consummation, counting every day except Sundays and legal public holidays (1026.19(e)(1)(iii)(B); 1026.2(a)(6)): Thursday 1, Friday 2,...
3. **C** The consumer must receive the Closing Disclosure at least three business days before consummation, counting Saturdays (1026.19(f)(1)(ii)): Wednesday 1, Thursday 2, Friday 3.
4. **D** A mailed disclosure is deemed received three business days after mailing: Tuesday 1, Wednesday 2, Thursday 3 (1026.19(f)(1)(iii)).
5. **D** A new three-day wait is required only if the APR becomes inaccurate, the loan product changes or a prepayment penalty is added (1026.19(f)(2)(ii)).
6. **C** The consumer must receive a revised Loan Estimate at least four business days before consummation, counting Saturdays (1026.19(e)(4)(ii); 1026.2(a)(6)): Wednesday, Tuesday, Monday, Saturday.
7. **B** The revised Loan Estimate is due no later than three business days after the rate is locked (1026.19(e)(3)(iv)(D)), counted in days the lender is open: Friday 1, Monday 2, Tuesday 3.
8. **A** If the consumer indicates intent to proceed more than 10 business days after the Loan Estimate is provided, or after any longer period the creditor set, the creditor may use revised estimates (1026.19(e)(3)(iv)(E))...
9. **B** Apart from a reasonable credit report fee, no fee may be imposed until the consumer has received the Loan Estimate and indicated an intent to proceed (1026.19(e)(2)(i)).
10. **B** The consumer may waive or shorten the wait only after receiving the Closing Disclosure, by a dated written statement that describes the emergency, specifically waives the period and is signed by every consumer...

Full explanations

Every question here has its full explanation in the free sample lesson. No signup.
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