

MBE Real Property Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which type of mortgage has priority over mortgages and liens created prior to the purchaser-mortgagor's acquisition of the property to the extent the loan funds were used to acquire the property?**
 - A. Purchase-money mortgage**
 - B. Second mortgage**
 - C. Construction loan**
 - D. Judgment lien**

- 2. For a covenant that runs with the land to bind successors, which element is essential?**
 - A. Touch and concern the land.**
 - B. Notice to future holders.**
 - C. Recording of the covenant.**
 - D. Written instrument.**

- 3. A buyer and seller execute a contract for sale of real property. The contract promises conveyance of marketable title subject to existing restrictions and zoning laws. The buyer later learns that the business at that location violated zoning laws, but the buyer hopes to obtain a variance. If the seller refuses to transfer title at closing, can the buyer seek specific performance?**
 - A. No, because the covenant of marketable title has been violated.**
 - B. Yes, because seller breached covenant of marketable title.**
 - C. No, because the contract provides that property is being sold subject to zoning.**
 - D. Yes, but only if the buyer obtains a variance.**

- 4. Which covenant in a lease case involving a gym that touches and concerns the land runs with the land and binds successors?**
 - A. The liability waiver covenant**
 - B. The rent covenant**
 - C. The assignment restriction**
 - D. The insurance requirement**

- 5. Which transfer is typically exempt from acceleration under the federal residential real property exemption?**
- A. Transfer to a non-family business entity.**
 - B. Transfer to a living trust.**
 - C. Transfer to a new co-owner who is a stranger.**
 - D. Transfer to a spouse.**
- 6. A 90-day option to purchase a ranch is granted to a buyer. The owner becomes incapacitated; a guardian is appointed. On the 90th day, the optionholder mails an exercise notice, which the guardian receives the next day. The guardian refuses to sell. If the optionholder sues to compel sale, what is the likely reason the court rules for the guardian?**
- A. The option holder failed to record the option.**
 - B. The option terminated when the owner became incapacitated.**
 - C. The option was revoked by a counteroffer.**
 - D. The mailbox rule does not apply to the exercise of an option and the guardian learned after expiration.**
- 7. An accountant conveys land in an inter vivos transfer to a banker: 'for the life of the banker, and then to my heirs; but if none of my heirs survive the banker, then to my lawyer.' After the accountant dies, the banker is still living and the two heirs are the clerk and the doctor. What is the clerk's current interest in the land?**
- A. The clerk has a vested remainder subject to complete divestment.**
 - B. The clerk has a vested remainder subject to open.**
 - C. The clerk has a contingent remainder.**
 - D. The clerk has no interest in the land.**

- 8. A landowner donated land to a charity by quitclaim deed. The charity did not record. The owner then sold the same land by warranty deed to a woman who paid valuable consideration and did not know about the prior gift. The woman promptly recorded her warranty deed. A month later, the charity recorded its quitclaim deed. The following year, the woman conveyed the property to her son by quitclaim deed, which the son recorded. The jurisdiction has a race-notice recording statute: 'No unrecorded conveyance or mortgage of real property shall be good against subsequent purchasers for value without notice, who shall first record.' Who owns the land?**
- A. The charity, because the charity recorded its deed before the son recorded his deed.**
 - B. The son, because he is a donee and thus protected by the shelter rule.**
 - C. The charity, because the charity never recorded before the woman's deed.**
 - D. The woman, because she recorded before the charity and is protected by the race-notice statute.**
- 9. Which statement correctly distinguishes fructus naturales from fructus industriales?**
- A. Fructus naturales are wild crops that pass with the land.**
 - B. Fructus naturales are cultivated crops that pass with the land.**
 - C. Fructus industriales pass with the land.**
 - D. Fructus industriales are wild crops that pass with the land.**
- 10. Do the heirs have the right to harvest the wild berries that grew on the widow's land after her death?**
- A. Yes, because the berries were the widow's personal property.**
 - B. Yes, because the widow would have harvested them had she survived.**
 - C. No, because the berries grew wild.**
 - D. No, because the widow did not sell the berries to third parties.**

Answers

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

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Explanations

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1. Which type of mortgage has priority over mortgages and liens created prior to the purchaser-mortgagor's acquisition of the property to the extent the loan funds were used to acquire the property?

A. Purchase-money mortgage

B. Second mortgage

C. Construction loan

D. Judgment lien

The key concept is that a purchase-money mortgage has priority over preexisting mortgages and liens to the extent the loan funds were used to acquire the property. This rule protects the lender who provided the funds to buy the property, ensuring repayment from the property's value before other creditors with liens recorded earlier. If the loan funds were used entirely to purchase the property, the purchase-money mortgage takes full priority over existing liens for that amount. If only part of the loan financed the purchase and other funds were used for later improvements or other costs, only the portion used to acquire the property enjoys this priority, with the remaining funds treated under normal lien rules. Other types, like a second mortgage, construction loan, or judgment lien, do not inherently hold this purchase-money priority.

2. For a covenant that runs with the land to bind successors, which element is essential?

A. Touch and concern the land.

B. Notice to future holders.

C. Recording of the covenant.

D. Written instrument.

The essential element is that the covenant touches and concerns the land. That means the obligation must affect the land's use, value, or enjoyment, not be a purely personal duty of the current owner. If the covenant changes how the land can be used or developed (for example, restrictions on building, use, or improvements), it relates to the land itself and can run with the title to bind future owners. Notice, recording, or a written form matter for enforcement and awareness, but they don't by themselves establish the covenant's ability to bind successors—the touch-and-concern quality does.

- 3. A buyer and seller execute a contract for sale of real property. The contract promises conveyance of marketable title subject to existing restrictions and zoning laws. The buyer later learns that the business at that location violated zoning laws, but the buyer hopes to obtain a variance. If the seller refuses to transfer title at closing, can the buyer seek specific performance?**
- A. No, because the covenant of marketable title has been violated.**
 - B. Yes, because seller breached covenant of marketable title.**
 - C. No, because the contract provides that property is being sold subject to zoning.**
 - D. Yes, but only if the buyer obtains a variance.**

The main idea tested is the duty to deliver marketable title. When a contract promises to convey marketable title, the seller must deliver title that a reasonably prudent purchaser would be willing to accept at closing—free from defects that would give rise to substantial doubt about the property’s title or its use. Here, the seller’s obligation is to convey marketable title, not to rely on the buyer’s eventual pursuit of a variance. A zoning violation that exists at the location makes the title unmarketable at the time of closing because it creates a defect that could undermine the buyer’s use or value of the property. The fact that the buyer hopes to obtain a variance later does not cure that defect at closing, nor does it excuse the seller from delivering marketable title. Since the seller refuses to transfer, the buyer has a right to seek specific performance to compel conveyance of the marketable title that was promised, rather than damages or waiting for a variance to be granted. So the correct conclusion is that the buyer can obtain specific performance because the seller breached the covenant to deliver marketable title.

- 4. Which covenant in a lease case involving a gym that touches and concerns the land runs with the land and binds successors?**
- A. The liability waiver covenant**
 - B. The rent covenant**
 - C. The assignment restriction**
 - D. The insurance requirement**

In real property, a covenant runs with the land when it touches and concerns the land and there’s intent for successors to be bound, supported by privity. A covenant that limits liability for injuries arising on the premises directly relates to how the land is used and the risks borne there, and it’s tied to the property itself rather than to the identities of the original contracting parties. Because the gym operates on the land and the waiver affects future use and liability on that same land, it’s the kind of obligation that would be intended to bind successors who take ownership or possession of the property—so it runs with the land. By contrast, a rent covenant is primarily a financial obligation between landlord and tenant and, while it can run with the land in some contexts, it’s not as clearly tied to the land’s continued use and liability framework as a liability waiver. An assignment restriction and an insurance requirement are more about control of who can occupy and how the property is insured, and they don’t as directly embody a land-centric obligation that future owners or tenants must take on.

5. Which transfer is typically exempt from acceleration under the federal residential real property exemption?

- A. Transfer to a non-family business entity.**
- B. Transfer to a living trust.**
- C. Transfer to a new co-owner who is a stranger.**
- D. Transfer to a spouse.**

Placing the home in a revocable living trust is treated as still belonging to the debtor for exemption purposes. Because the trust is revocable, the debtor retains control, can revoke or modify the trust, and continues to occupy and benefit from the property. This means the debtor's ownership and use aren't effectively transferred away, so the federal residential real property exemption isn't accelerated or lost. By contrast, transferring to a non-family business entity or to a new co-owner who is a stranger moves ownership outside the debtor's direct control, which typically jeopardizes the exemption and can trigger acceleration. A transfer to a spouse might be a family transfer, but the revocable living trust option is the clearest way to preserve the exemption without triggering those concerns.

6. A 90-day option to purchase a ranch is granted to a buyer. The owner becomes incapacitated; a guardian is appointed. On the 90th day, the optionholder mails an exercise notice, which the guardian receives the next day. The guardian refuses to sell. If the optionholder sues to compel sale, what is the likely reason the court rules for the guardian?

- A. The option holder failed to record the option.**
- B. The option terminated when the owner became incapacitated.**
- C. The option was revoked by a counteroffer.**
- D. The mailbox rule does not apply to the exercise of an option and the guardian learned after expiration.**

Timing the exercise of an option is different from ordinary contract acceptance. An option creates a period during which the holder can compel a sale, but the exercise of that option is not treated like a standard acceptance that becomes effective upon sending the notice. For options, the critical moment is when the optionor actually receives the exercise notice, not when it is mailed. If the notice is mailed on the last day but arrives after expiration, the option is not validly exercised. Here, the exercise notice was mailed on the 90th day but the guardian did not receive it until the next day, after expiration. Because the exercise was not received before the option expired, the holder cannot compel a sale. The guardian's refusal stands, and the court would rule for the guardian for that timing reason. Other explanations don't fit the scenario: recording the option doesn't affect whether timely exercise can occur; incapacity of the owner does not by itself terminate an option; a counteroffer isn't involved in exercising an option; and the mailbox rule is generally not applicable to the exercise of an option in a way that makes late-arriving notices timely.

7. An accountant conveys land in an inter vivos transfer to a banker: 'for the life of the banker, and then to my heirs; but if none of my heirs survive the banker, then to my lawyer.' After the accountant dies, the banker is still living and the two heirs are the clerk and the doctor. What is the clerk's current interest in the land?

- A. The clerk has a vested remainder subject to complete divestment.**
- B. The clerk has a vested remainder subject to open.**
- C. The clerk has a contingent remainder.**
- D. The clerk has no interest in the land.**

This question tests how a grant that runs to a life tenant and then to the grantor's heirs, with an executory limitation to another person if none survive the life tenant, is classified. The banker's life estate ends when the banker dies. After that, the land would go to the grantor's heirs, but with a condition: if none of the grantor's heirs survive the banker, the land goes to the lawyer. That creates a remainder in the grantor's heirs, but with an executory limitation that can divest that remainder. The clerk is one of the grantor's heirs, so the clerk has a present, vested remainder in the land, to take upon the banker's death. It's a vested remainder because the clerk is an ascertainable member of the class of beneficiaries, and there is no condition precedent to vest—the only potential divestment is a future event that would transfer the land to the lawyer if none of the heirs survive the banker. That possibility makes the clerk's remainder subject to complete divestment: if both heirs fail to outlive the banker, the lawyer takes. So the clerk's current interest is a vested remainder subject to complete divestment.

- 8. A landowner donated land to a charity by quitclaim deed. The charity did not record. The owner then sold the same land by warranty deed to a woman who paid valuable consideration and did not know about the prior gift. The woman promptly recorded her warranty deed. A month later, the charity recorded its quitclaim deed. The following year, the woman conveyed the property to her son by quitclaim deed, which the son recorded. The jurisdiction has a race-notice recording statute: 'No unrecorded conveyance or mortgage of real property shall be good against subsequent purchasers for value without notice, who shall first record.' Who owns the land?**
- A. The charity, because the charity recorded its deed before the son recorded his deed.**
 - B. The son, because he is a donee and thus protected by the shelter rule.**
 - C. The charity, because the charity never recorded before the woman's deed.**
 - D. The woman, because she recorded before the charity and is protected by the race-notice statute.**

Under a race-notice recording statute, a purchaser for value who takes without notice and records first against any later unrecorded interests will prevail. Here, the woman paid valuable consideration for the land and had no knowledge of the charity's prior gift. She recorded before the charity did, so she becomes the protected title holder. Even though the charity later recorded, its interest remained unrecorded at the time the woman's deed was recorded, and the race-notice rule protects the woman as the first qualifying purchaser to record. The subsequent transfer to the son doesn't defeat the woman's title. He acquired by quitclaim from the woman and, crucially, did not take for value. The shelter rule could extend protection to a transferee who takes from a protected grantee, but it does not give the son value-based priority here, so it cannot overcome the woman's recorded title. Charity's later recording is irrelevant against a prior, properly recorded, value-based purchaser who recorded first. Therefore, the woman owns the land.

9. Which statement correctly distinguishes fructus naturales from fructus industriales?

- A. Fructus naturales are wild crops that pass with the land.**
- B. Fructus naturales are cultivated crops that pass with the land.**
- C. Fructus industriales pass with the land.**
- D. Fructus industriales are wild crops that pass with the land.**

The key idea is the difference between natural fruits and crops produced by human labor, and whether they transfer with the land. Fructus naturales are the fruits that come from the land by nature, without cultivation—things that grow as part of the land itself. Because they are inherent to the land, they pass with ownership of the land when it is transferred, even if they haven't been harvested yet. Fructus industriales, on the other hand, are crops produced through cultivation and labor; they are not considered part of the land itself and generally do not automatically pass with the land to a new owner. So the statement that fructus naturales pass with the land captures the correct rule: natural fruits belong to the landowner and transfer with the land. The other options confuse which type of fruit is cultivated or misstate how the fruits transfer.

10. Do the heirs have the right to harvest the wild berries that grew on the widow's land after her death?

- A. Yes, because the berries were the widow's personal property.**
- B. Yes, because the widow would have harvested them had she survived.**
- C. No, because the berries grew wild.**
- D. No, because the widow did not sell the berries to third parties.**

The key idea is that natural growth on land—like wild berries that grow on the soil—belongs to the landowner as part of the property, not as personal property that can be owned separately. These are considered fruits of the land (fructus naturales). When the widow dies, her land—and everything that grows on it—passes to her heirs. So the heirs automatically acquire the right to harvest what grows on the land, including wild berries, because the berries are part of the real property they now own. The fact that the berries grew wild does not change who owns them; ownership attaches to the land itself, not to the act of cultivation or to the berries being cultivated or not. If the berries were instead cultivated crops that required ongoing cultivation (emblements), different rules could apply, but for wild growth on the land, the heirs have the right to harvest.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://mberealproperty.examzify.com>

We wish you the very best on your exam journey. You've got this!

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