

# Metro Brokers 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. What is true about payments in a fully amortized loan?**

- A. They increase over time**
- B. They remain equal throughout the loan duration**
- C. They are mostly interest in the beginning**
- D. They include a balloon payment at maturity**

**2. What is intestate succession?**

- A. Distribution of property by descent as provided by statute**
- B. The process of writing a will to distribute assets**
- C. Voluntary transfer of property through a contract**
- D. Provisions made for medical decisions**

**3. What is a codicil in relation to a will?**

- A. A formal property dispute resolution**
- B. A legal process for changing property ownership**
- C. An addition to a will**
- D. A requirement for executing a will**

**4. What is a Graduated Lease designed to do?**

- A. Maintain rent at a constant level**
- B. Enable flexible rent payment amounts based on income**
- C. Increase rent by a fixed amount over a specified period**
- D. Provide a yearly discount on rent**

**5. What is an act by one party intended to deceive another party called?**

- A. Misdemeanor**
- B. Fraud**
- C. Coercion**
- D. Malpractice**

**6. Which term describes the government's right to make laws and regulations for the public welfare?**

- A. Police Power**
- B. Eminent Domain**
- C. Taxation**
- D. Zoning**

**7. What characterizes a Graduated Payment Mortgage (GPM)?**

- A. Equal payments throughout the loan term**
- B. Lower initial payments that increase over time**
- C. High payments from the start**
- D. Only interest payments for the entire term**

**8. What is commonly referred to as a 'last will and testament'?**

- A. A contract for real estate**
- B. A legal document specifying how a person's assets are to be distributed**
- C. A document outlining financial debts**
- D. A lease agreement**

**9. Will all freehold estates come with inheritability?**

- A. Yes, they always have inheritability**
- B. No, not all freehold estates have inheritability**
- C. Only leasehold estates have inheritability**
- D. It depends on state laws**

**10. What is a proprietary lease in a cooperative?**

- A. The right to sell owned stock**
- B. The right to rent an apartment for life**
- C. The co-op owner's right to their apartment**
- D. The right to mortgage the property**

## **Answers**

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

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## **Explanations**

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## 1. What is true about payments in a fully amortized loan?

- A. They increase over time
- B. They remain equal throughout the loan duration**
- C. They are mostly interest in the beginning
- D. They include a balloon payment at maturity

In a fully amortized loan, the hallmark characteristic is that the payments remain equal throughout the loan duration. This means that the borrower pays the same amount in each installment, which includes both principal and interest. The design of a fully amortized loan ensures that, by the end of the loan term, the entire balance will have been paid off. This consistent payment structure allows borrowers to budget effectively since they know exactly what their monthly obligation will be for the life of the loan. It's important to understand that while the overall payment amount is stable, the composition of those payments will shift over time—initially, a larger portion of each payment goes towards interest, and as the loan matures, more of it is applied to reducing the principal. Other options in this question introduce elements that do not apply to a fully amortized loan. For instance, increasing payments or balloon payments are features typically associated with other types of loans, such as adjustable-rate mortgages or partially amortized loans, but these do not align with the definition of a fully amortized loan.

## 2. What is intestate succession?

- A. Distribution of property by descent as provided by statute**
- B. The process of writing a will to distribute assets
- C. Voluntary transfer of property through a contract
- D. Provisions made for medical decisions

Intestate succession refers to the distribution of a deceased person's property when they have died without a will. This process is governed by the laws of the state where the deceased resided, which means that specific statutes dictate how the property is to be divided among heirs. Typically, the estate is distributed first to the closest relatives, such as spouses and children, and if no immediate family is available, it may extend to more distant relatives. The other options deal with different aspects of property management or legal processes. Writing a will is related to testamentary succession, where a person intentionally outlines their wishes for property distribution before death. Voluntary transfer of property through a contract pertains to how property is exchanged or sold, not how it is distributed after death. Lastly, provisions for medical decisions relate to advance directives or healthcare proxies and have no relevance to how an estate is handled after someone dies. This context reinforces the understanding that intestate succession specifically addresses the laws and procedures for distributing property in the absence of a will.

### 3. What is a codicil in relation to a will?

- A. A formal property dispute resolution
- B. A legal process for changing property ownership
- C. An addition to a will**
- D. A requirement for executing a will

A codicil is an addition or modification to an existing will, allowing the testator to make changes without creating an entirely new document. This is particularly useful for minor changes, such as updating beneficiaries or altering specific terms, while maintaining the original will's validity. The codicil must be executed with the same formalities as a will, ensuring it is legally binding and reflects the testator's current intentions. This instrument allows for greater flexibility in estate planning, as individuals' circumstances and wishes often change over time. By utilizing a codicil, the testator can address these changes efficiently without having to rewrite the entire will.

### 4. What is a Graduated Lease designed to do?

- A. Maintain rent at a constant level
- B. Enable flexible rent payment amounts based on income
- C. Increase rent by a fixed amount over a specified period**
- D. Provide a yearly discount on rent

A Graduated Lease is specifically designed to increase rent by a predetermined or fixed amount over a specified period of time. This structure allows tenants to anticipate future rent increases according to an agreed-upon schedule, which can be beneficial for both landlords and tenants in terms of financial planning and stability. Tenants can budget in advance for these increases, while landlords can ensure a steady increase in rental income that keeps pace with inflation or market rates. This approach contrasts with a constant rent lease, where rates remain the same, or flexible arrangements that might depend on tenant income levels. The graduated lease structure is particularly common in long-term agreements where adjustments over time are expected or necessary.

**5. What is an act by one party intended to deceive another party called?**

- A. Misdemeanor**
- B. Fraud**
- C. Coercion**
- D. Malpractice**

An act by one party intended to deceive another party is called fraud because it involves misrepresentation or deceit that is typically intended to gain something of value, such as money or property, at the expense of another. In legal terms, fraud can encompass a wide range of wrongful behaviors, including false statements, omissions of important information, or other deceptive practices. The intention to mislead is a core component of fraud, which differentiates it from other terms. For example, if a person sells a property while knowingly concealing significant defects, that act of deliberately misleading the buyer constitutes fraud. This is essentially a violation of trust and can have serious legal repercussions. The other options, while relevant in various legal contexts, do not encapsulate the concept of deception aimed at benefiting oneself at the cost of another party. Misdemeanor refers to a less severe criminal offense, coercion involves forcing someone to act against their will, and malpractice pertains to a failure to perform duties adequately, typically in professional settings. These terms do not specifically highlight the element of intentional deception that defines fraud.

**6. Which term describes the government's right to make laws and regulations for the public welfare?**

- A. Police Power**
- B. Eminent Domain**
- C. Taxation**
- D. Zoning**

The correct term that describes the government's right to make laws and regulations for the public welfare is Police Power. This concept refers to the inherent authority of the government to enact laws and regulations to promote and protect the health, safety, morals, and general welfare of its citizens. This power allows local, state, and federal governments to implement measures that regulate behavior, ensure public safety, and create standards for various aspects of community living, such as health regulations, building codes, and environmental protections. While eminent domain, taxation, and zoning are all related to government authority, they each serve different specific purposes. Eminent domain is the power of the government to take private property for public use, provided that just compensation is paid to the owner. Taxation is the government's authority to impose financial charges on individuals and entities to fund public services and infrastructure. Zoning, on the other hand, involves land use regulations that dictate how properties in certain areas may be used, but it is a specific exercise of police power rather than a standalone authority.

## 7. What characterizes a Graduated Payment Mortgage (GPM)?

- A. Equal payments throughout the loan term**
- B. Lower initial payments that increase over time**
- C. High payments from the start**
- D. Only interest payments for the entire term**

A Graduated Payment Mortgage (GPM) is characterized by lower initial payments that gradually increase over a specified period, often leading to larger payments later in the loan term. This structure can be beneficial for borrowers who expect their incomes to rise in the future, allowing them to afford larger payments down the line while easing the financial burden during the initial years of the mortgage. This feature makes GPMs distinct when compared to more traditional mortgage options, which typically involve equal payments throughout the loan term. High payments from the start do not align with the GPM model, as the essence of a GPM is to start with lower payments. Similarly, an option involving only interest payments doesn't apply to a GPM, since that would not encompass the gradual increase aspect or the overall purpose of the mortgage structure, which is aimed at reducing the initial financial strain on the borrower.

## 8. What is commonly referred to as a 'last will and testament'?

- A. A contract for real estate**
- B. A legal document specifying how a person's assets are to be distributed**
- C. A document outlining financial debts**
- D. A lease agreement**

A 'last will and testament' is a legal document that specifies how a person's assets and property are to be distributed after their death. This document allows individuals to articulate their wishes regarding their estate, including who will inherit specific items, properties, or sums of money. It also provides a way to appoint an executor to manage the estate and ensure that the directives outlined in the will are followed. Having a will is critical for ensuring that one's desires are honored and helps to prevent disputes among heirs or beneficiaries. The other options refer to different legal instruments with distinct purposes. A contract for real estate pertains to agreements regarding the sale, purchase, or lease of property. A document outlining financial debts focuses on liabilities owed by an individual, while a lease agreement is a contract between a landlord and tenant regarding the rental of property. Each of these serves specific legal functions that are separate from the intent and provisions of a last will and testament.

## 9. Will all freehold estates come with inheritability?

- A. Yes, they always have inheritability
- B. No, not all freehold estates have inheritability**
- C. Only leasehold estates have inheritability
- D. It depends on state laws

Freehold estates generally refer to estates in real property that are held for an indefinite duration. However, not all freehold estates have the right of inheritability. For instance, a life estate is a type of freehold estate that is granted for the duration of a person's life. Upon the death of the life tenant, the estate does not pass to the heirs of the life tenant but instead reverts back to the grantor or passes to a third party designated by the grantor, thereby lacking inheritability. In contrast, fee simple estates do possess inheritability, as they can be passed on to heirs. When considering the concept of inheritability in freehold estates, it's important to recognize that the presence of this characteristic can depend on the specific type of estate and its defined limitations. Thus, while many freehold estates can be inheritable, not all fit that criterion, affirming the accuracy of the response regarding the absence of inheritability in certain types of freehold estates.

## 10. What is a proprietary lease in a cooperative?

- A. The right to sell owned stock
- B. The right to rent an apartment for life
- C. The co-op owner's right to their apartment**
- D. The right to mortgage the property

A proprietary lease in a cooperative is the co-op owner's right to their apartment. This type of lease allows shareholders in a cooperative corporation to occupy a specific unit in the building. Unlike traditional leases, a proprietary lease is tied to ownership of shares in the cooperative; thus, when individuals purchase shares, they are granted the right to reside in their assigned unit as stipulated in the lease. This arrangement differs significantly from a typical rental agreement, as it provides the owner with a sense of ownership and investment in the community while still adhering to the cooperative's rules and regulations. The lease typically includes terms regarding the use of the apartment, maintenance responsibilities, and the rights of the shareholder. Understanding the essence of a proprietary lease is crucial for anyone involved in cooperative housing, as it underpins the relationship between ownership, occupancy, and the operational framework of the co-op. The other options do not accurately reflect the nature of a proprietary lease, which specifically pertains to the rights associated with residing in and controlling an apartment in the cooperative structure.

# 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](mailto:hello@examzify.com).**

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

**<https://metrobrokers.examzify.com>**

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

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