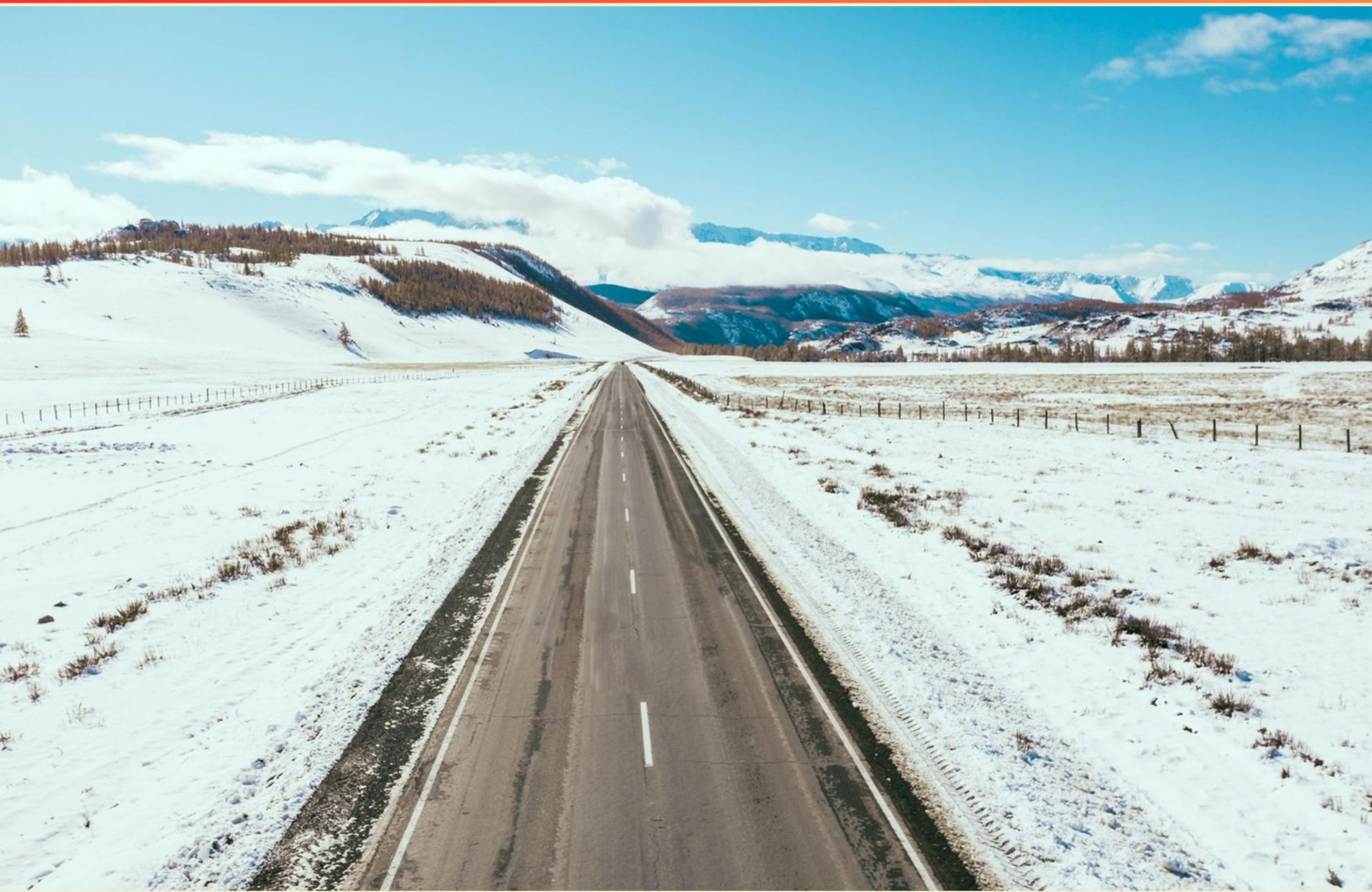


MICHIGAN PL PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE

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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 term is used for the involuntary transfer of title due to the landowner's failure to use or inspect their land?**
 - A. Expropriation
 - B. Adverse Possession
 - C. Land Grant
 - D. Title Abandonment

- 2. What is a section in real estate terms?**
 - A. A square mile in a city
 - B. An administration office
 - C. A unit of measure, typically 36 square miles in a township
 - D. A residential zoning district

- 3. What is a key benefit of GSEs like Fannie Mae and Freddie Mac in the economy?**
 - A. Increase competition among banks
 - B. Enhance homeownership accessibility
 - C. Reduce taxes for homeowners
 - D. Lower interest rates for government loans

- 4. What legal situation occurs when someone dies intestate?**
 - A. The property goes to the state
 - B. The property is evenly distributed among heirs
 - C. The property is sold at auction
 - D. The property remains unchanged

- 5. What is a "marketable title"?**
 - A. A title that is free from significant encumbrances or defects
 - B. A title that has been contested in court
 - C. A temporary title issued during property development
 - D. A title that includes existing leases on the property

- 6. What is the primary purpose of using a datum in surveying?**
- A. To determine boundary lines
 - B. To assess property values
 - C. To establish elevation points
 - D. To map land use
- 7. In what scenario would an owner most likely be considered a tester?**
- A. After closing on a property
 - B. When representing a fair housing group
 - C. While completing a purchase transaction
 - D. During a home inspection process
- 8. Which type of business entity is characterized by all co-owners sharing power and responsibilities?**
- A. Sole proprietorship
 - B. General partnership
 - C. Limited partnership
 - D. Corporation
- 9. What type of agency relationship allows both the buyer and seller to be represented by the same broker?**
- A. Dual agency
 - B. Exclusive agency
 - C. Transactional agency
 - D. Designated agency
- 10. What occurs when a lender seeks a court order after a property has been foreclosed?**
- A. Deed in trust
 - B. Delivery and acceptance
 - C. Designated agency
 - D. Deficiency judgment

Answers

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

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Explanations

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1. What term is used for the involuntary transfer of title due to the landowner's failure to use or inspect their land?

- A. Expropriation
- B. Adverse Possession**
- C. Land Grant
- D. Title Abandonment

The term that refers to the involuntary transfer of title due to a landowner's failure to use or inspect their land is adverse possession. This legal doctrine allows a person who possesses someone else's land for an uninterrupted period of time, and meets certain criteria (such as open and notorious use, and continuous occupation), to claim legal title to that land. Adverse possession serves as a means to encourage land use and prevent properties from being abandoned or neglected. In this context, the failure of the original landowner to use or inspect their property can lead to someone else acquiring ownership rights through adverse possession, emphasizing the importance of active management and oversight of land ownership. The concept hinges on the principle that land should not remain idle and unutilized, so if one fails to make use of their land, they risk losing it to another party who actively invests in and occupies it.

2. What is a section in real estate terms?

- A. A square mile in a city
- B. An administration office
- C. A unit of measure, typically 36 square miles in a township**
- D. A residential zoning district

In real estate terminology, a section specifically refers to a unit of land measurement that is traditionally used in the Public Land Survey System (PLSS). A section is defined as one square mile, which is equivalent to 640 acres. It is commonly used to delineate land within a township and plays a crucial role in the legal description of property. This definition highlights the significance of sections in organizing and referencing land, particularly in rural and undeveloped areas. The concept of sections is integral to understanding land surveys and property ownership in various regions, including Michigan. The other options, while related to different aspects of real estate, do not accurately describe what a section is in the context of land measurement. An administration office pertains to organizational functions rather than measurement. A square mile in a city does not specify the context of a township or the PLSS. A residential zoning district refers to land use regulations rather than a unit of physical land measurement. Thus, the correct understanding of a section as a measurement unit is essential for navigating real estate specifics.

3. What is a key benefit of GSEs like Fannie Mae and Freddie Mac in the economy?

- A. Increase competition among banks
- B. Enhance homeownership accessibility**
- C. Reduce taxes for homeowners
- D. Lower interest rates for government loans

A key benefit of Government-Sponsored Enterprises (GSEs) like Fannie Mae and Freddie Mac is their role in enhancing homeownership accessibility. These organizations were created to facilitate and increase the availability of mortgage credit for households. By purchasing mortgages from lenders, they provide liquidity to the mortgage market, which in turn enables those lenders to offer more loans, often at lower interest rates due to the perceived reduction of risk associated with GSE backing. This support makes it easier for individuals and families, particularly those who might not meet conventional lending criteria, to qualify for home loans. The end result is broader access to homeownership, supporting the broader economic goal of making housing affordable and attainable for more people. Other options, such as increasing competition among banks or reducing taxes for homeowners, do not directly capture the main function of GSEs. Although GSEs might influence competition indirectly, their primary purpose is not to drive competition among lenders. Similarly, while GSEs can impact interest rates, their primary mandate aligns more closely with enhancing accessibility to home financing rather than directly lowering taxes or interest rates.

4. What legal situation occurs when someone dies intestate?

- A. The property goes to the state**
- B. The property is evenly distributed among heirs
- C. The property is sold at auction
- D. The property remains unchanged

When someone dies intestate, meaning they did not leave a valid will, the distribution of their property is governed by state intestacy laws. Typically, these laws establish a hierarchy of heirs based on familial relationships. If the deceased has no surviving relatives, their property is indeed directed to the state. This situation is essentially a fallback mechanism to ensure that the estate doesn't remain unclaimed and is instead managed according to the state's legislative framework. Other outcomes like even distribution among heirs or selling the property at auction do not accurately capture the legal principles at play in intestacy situations. The laws guide distribution primarily to heirs, and if no heirs are available, the state becomes the final recipient of the deceased's assets. The option regarding the property remaining unchanged does not apply, as intestate succession requires some form of legal resolution regarding the deceased's estate.

5. What is a "marketable title"?

- A. A title that is free from significant encumbrances or defects
- B. A title that has been contested in court
- C. A temporary title issued during property development
- D. A title that includes existing leases on the property

A marketable title is defined as a title that is free from significant encumbrances or defects, meaning it is clear and legally sufficient for the property owner to sell or transfer ownership without issues. This status assures potential buyers that there are no unresolved claims, liens, or outstanding legal questions surrounding the property that could impede their ownership or use. In real estate transactions, having a marketable title is crucial because it provides peace of mind to buyers and lenders, facilitating smoother transfers and enabling the new owner to take full possession without the risk of legal challenges or financial liabilities stemming from previous ownership. Other answers describe situations that do not align with the concept of marketability; a contested title in court indicates existing disputes, temporary titles imply some sort of provisional status that might not be reliable for retaining ownership, and a title that includes existing leases indicates that the property may have restrictions or obligations that could complicate ownership or its marketability.

6. What is the primary purpose of using a datum in surveying?

- A. To determine boundary lines
- B. To assess property values
- C. To establish elevation points
- D. To map land use

The primary purpose of using a datum in surveying is to establish elevation points. A datum serves as a reference point or level from which measurements are taken. In surveying, it provides a consistent baseline for determining the vertical position of points in relation to sea level or another reference point. This is essential for construction projects, topographic mapping, and any work that requires a clear understanding of heights and elevations, ensuring that structures are built accurately and that any land features are correctly represented in terms of slope, drainage, and other critical factors. In this context, datums are fundamental to ensuring all measurements are comparable and can be reliably used in various applications, such as engineering and environmental assessments.

7. In what scenario would an owner most likely be considered a tester?

- A. After closing on a property
- B. When representing a fair housing group
- C. While completing a purchase transaction
- D. During a home inspection process

An owner would most likely be considered a tester when they are involved with a fair housing group. In this context, a tester is someone who poses as a potential buyer or renter to gather information about compliance with fair housing laws. This helps ensure that housing providers are not discriminating against individuals based on protected characteristics such as race, color, national origin, religion, sex, familial status, or disability. When working with a fair housing group, individuals are often trained to identify discriminatory practices and report their findings. This proactive role in testing for compliance with fair housing regulations is crucial for maintaining fair housing standards and promoting equal opportunity in housing. In contrast, after closing on a property or engaging in the purchase transaction, an owner is in a position of ownership rather than a role aimed at assessing compliance with fair housing laws. During a home inspection process, while important for property evaluation, the focus is typically on the condition of the property rather than on testing for discriminatory practices.

8. Which type of business entity is characterized by all co-owners sharing power and responsibilities?

- A. Sole proprietorship
- B. General partnership**
- C. Limited partnership
- D. Corporation

The correct choice is general partnership, as this business entity is defined by the collaborative nature of its ownership structure. In a general partnership, all co-owners, known as partners, share equal control over management and decision-making processes. This means that each partner is actively involved in the day-to-day operations and has a say in the strategic direction of the business. Moreover, partners in a general partnership typically share both the profits and the liabilities of the business, which further illustrates the degree of joint responsibility and collective authority. This equal division of power can lead to a more cohesive and collaborative business environment, as partners work together to achieve common goals. In contrast, a sole proprietorship is owned and operated by one individual, who has full control but also bears sole responsibility for liabilities and decision-making. A limited partnership involves at least one general partner who manages the business and has unlimited liability, while other partners, who are limited partners, typically only contribute capital and have no say in management. A corporation is a distinct legal entity, separate from its owners (shareholders), and often features a hierarchical management structure rather than equal power among co-owners.

9. What type of agency relationship allows both the buyer and seller to be represented by the same broker?

- A. Dual agency**
- B. Exclusive agency
- C. Transactional agency
- D. Designated agency

In the context of real estate, the type of agency relationship that allows both the buyer and seller to be represented by the same broker is dual agency. This arrangement is significant because it enables the broker to facilitate the transaction between both parties, acting as a neutral intermediary. In a dual agency situation, the broker must maintain impartiality and cannot favor one party over the other. This relationship is permissible in many states, including Michigan, but it typically requires full disclosure and informed consent from both the buyer and the seller due to potential conflicts of interest. This setup can streamline communication and simplify negotiations, as both parties are working with the same representative. Other agency relationships, such as exclusive agency, transactional agency, and designated agency, do not involve this dual representation; instead, they either focus on single-party representation or designate specific agents to represent one side in a transaction. Therefore, dual agency is uniquely characterized by its inclusion of both the buyer and seller under one broker.

10. What occurs when a lender seeks a court order after a property has been foreclosed?

- A. Deed in trust
- B. Delivery and acceptance
- C. Designated agency

D. Deficiency judgment

When a lender seeks a court order after a property has been foreclosed, this is known as a deficiency judgment. This legal action occurs when the sale of the foreclosed property does not cover the total amount owed on the mortgage. For instance, if the property is sold at auction for less than the outstanding mortgage balance, the lender may pursue a deficiency judgment to recover the remaining amount owed by the borrower. This process allows the lender to obtain a court order that requires the borrower to repay the additional amount, effectively making the borrower responsible for any shortfall that remains after the foreclosure sale. Understanding deficiency judgments is crucial as they provide lenders with a means to mitigate losses while also holding borrowers accountable for their full debt obligations, even after a foreclosure has taken place.

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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://michiganpl.examzify.com>

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

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