

**Read Instructions carefully**

**Question #1**

The notary finalizes the transaction between the buyer, the seller and the appraiser.

- a. True
- b. False

**Question #2**

When will the nominal rate per annum be greater than the effective rate of return?

- a. This is not possible
- b. When there is no compounding at all per annum
- c. When the compounding period per annum is negative
- d. When the compounding period per annum is between zero and one

**Question #3**

Which of the following is a variable in the time value of money calculations?

- a. Payment
- b. Purchase price
- c. Down payment
- d. a and b

**Question #4**

If the nominal rate is 8.00 percent every three months, what is the effective annual rate?

- a. 32%
- b. 8.24%
- c. 36.05%
- d. None of the above

**Question #5**

What is the present value of an annuity, of \$2,000 per annum for 10 years, assuming end of year payments? Interest rate is 8.10 percent per annum.

- a. \$15,526
- b. \$13,420
- c. \$28,973
- d. \$13,360