**CHAPTER 20**

 **QUIZ**

# True/False

1. In a foreclosure action, all lienholders are paid on a pro rata basis.
2. In a judicial foreclosure action, junior lienholders are named as defendants in the suit.
3. In a judicial foreclosure action, the court requires the original note and mortgage.
4. Under strict foreclosure, the real property serving as collateral for the loan is not sold.
5. A notice of default is a document that should be recorded.
6. If the appraised value of the property is less than the outstanding debt owed to the lender, the lender may not accept a deed in lieu of foreclosure.
7. A deed in lieu of foreclosure makes most sense to a borrower when a borrower has high equity and is unable to cure default on a loan.
8. Most deed of trust states provide for a redemption period.
9. Under the Servicemembers Civil Relief Act, lenders may not foreclose upon or seize real property for failure to pay a mortgage debt while a service member is on active duty or within 120 days after the period of military service without court approval.
10. If the Internal Revenue Service has placed a federal tax lien on the property, it must be given written notice of the foreclosure sale twenty-five days prior to the date of the sale.

## Answer Key

1. False
2. True
3. True
4. True
5. True
6. True
7. False
8. True
9. False
10. True