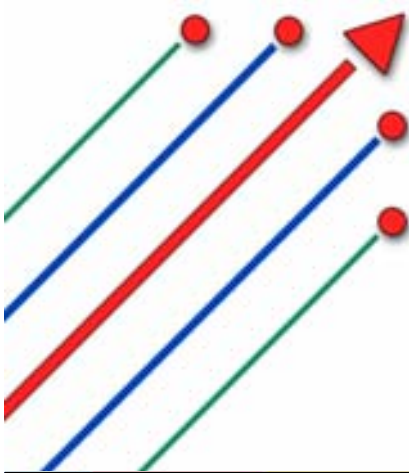


Exam

Consolidation, Extension, and Modification Agreement

Name: _____

VERSION 2.21 | JULY 2007





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Consolidation, Extension, and Modification Agreement Exam

Instructions:

You have **90 minutes** to complete the exam. Refer questions about this exam to the TRAINER only.

1. True or False: CEMA Loans are for refinance only. (1 pt)

A. True

B. False

2. True or False: CEMA Loans are for residents in California and New York. (1 pt)

A. True

B. False

3. True or False: CEMA reduces the Borrower's tax liabilities. (1 pt)

A. True

B. False

4. Which of the following may be a CEMA Loan? (1 pt)

A. HELOC

B. Refinance

C. Close-end Second

D. Both B and C

5. Which of the following must be in the CEMA Loan package? (2 pts)

- A. GAP Note
- B. Consolidation Note
- C. Exhibit A
- D. Exhibit C
- E. All of the above
- F. None of the above

6. The GAP Note contains which of the following? (2 pts)

- A. The total loan amount
- B. The difference between the new loan and the old loan
- C. The amount of the new loan
- D. The coordinates of the property

7. Which of the following must be an original document? (2 pts)

- A. Original Money Note
- B. Gap Security Instrument
- C. Exhibit C
- D. Both A & C

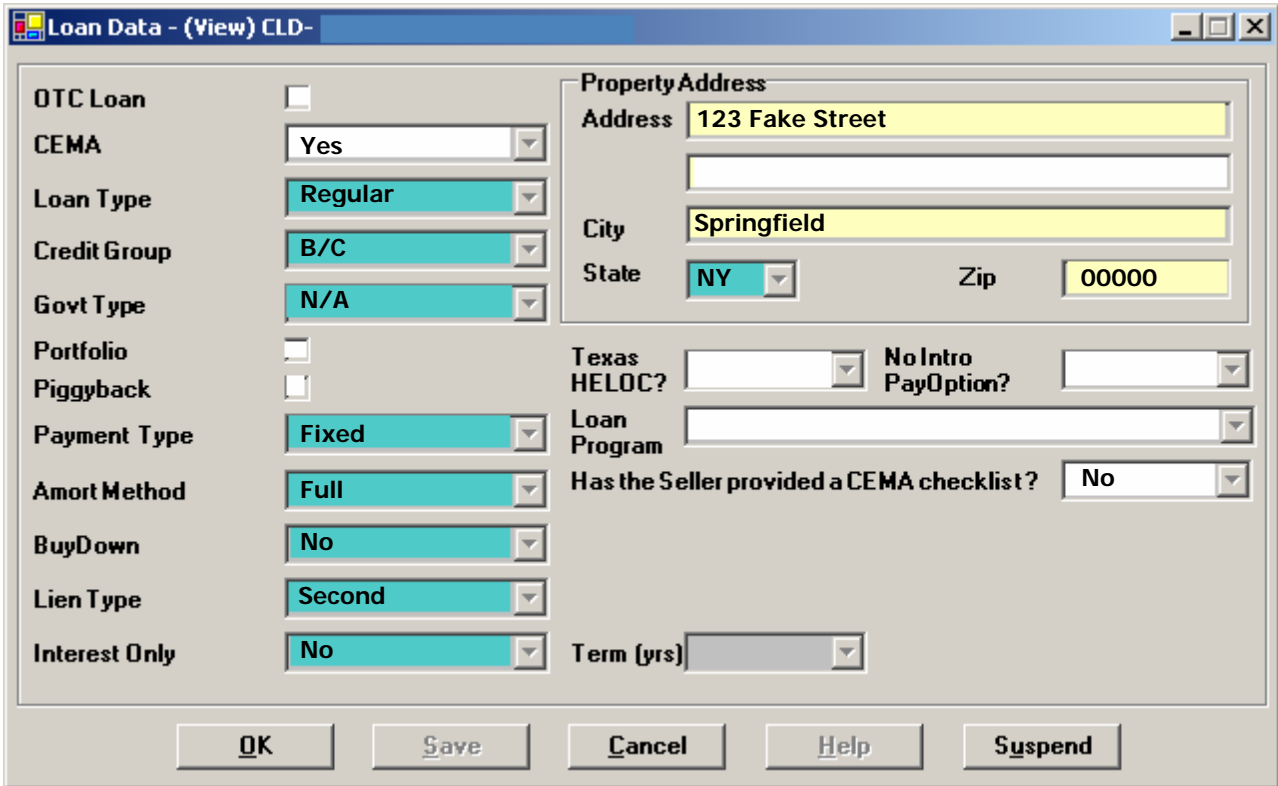
8. Circle the correct answer that corresponds to the blank line in this sentence: (2 pts)
Loans purchased by _____ require a collateral checklist or else Sapphire will generate a suspension.

- A. CLD
- B. CWL
- C. Both A & B
- D. None of the above

9. Enter the information from the GAP Note in the table below. BE PRECISE. (1pt each)

NOTE	ORIGINAL
<p>August 25, 2006 [Date]</p> <p>Brooklyn [City]</p> <p>11 1ST STREET, UNIT #1 BROOKLYN, NY 11218</p> <p>[Property Address]</p>	<p>New York [State]</p>
<p>1. BORROWER'S PROMISE TO PAY</p> <p>In return for a loan that I have received, I promise to pay U.S. \$81,560.69 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is 123 Funding, LTD.,</p> <p>I will make all payments under this Note in the form of cash, check or money order.</p> <p>I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."</p>	
<p>2. INTEREST</p> <p>Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.2500%.</p> <p>The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.</p>	
<p>3. PAYMENTS</p> <p>(A) Time and Place of Payments</p> <p>I will pay principal and interest by making a payment every month.</p> <p>I will make my monthly payment on the 1st day of each month beginning on October 01, 2006</p> <p>I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on September 01, 2036 I still owe amounts under this Note. I will pay those</p>	
GAP Amount	
Lender	
Property Address	
Interest Rate	
First Payment Date	
Maturity Date	
10. What is a Gap Note? (3pts)	

11. Use this screen to answer the question below: (2pts)



Will the data on this screen will trigger a Suspension?
Why or why not?

Yes / No

12. Using the above screen as your only source of information, what information is inaccurately input for a CEMA loan? (2 pts)



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