

Sustainable Neighborhood Developers' Program Practice Exam (80 questions)

The enclosed material is a practice test for the certification examination for Sustainable Neighborhood Developers. The questions of the practice test (80 questions) come from the nine (9) program modules.



1. The 2021 Creating Sustainable Neighborhood Developers' Program includes nine modules: (1) The State of Real Estate Development and Acquisition, (2) Capacity Building and Funding Sources, (3) Housing Policy and Strategic Housing Advocacy, (4) QuickBooks, (5) License, Certifications, and Insurance, (6) Understanding Construction Drawings, (7) Construction Beyond the Housing Development Award in a Present COVID World, (8) _____, and (9) Project management. Fill up the blank using the following.

- (A) Contractor Procurement
- (B) Xactimate awareness
- (C) Quantum Computing

2. Which of the following most accurately describes "Creating sustainable neighborhood developer program"?

- (A) the process of renovating and improving a house or district so that it conforms to middle-class taste
- (B) the process of training, mentoring, and cultivating individuals who want to improve and develop a community (i.e., houses, subdivisions, community centers, etc.) to which they belong.
- (C) the process of renovation of deteriorated urban neighborhoods by means of the influx of more affluent residents

3. Who can develop neighborhoods?

- (A) Individuals
- (B) Non-profits
- (C) For-profits
- (D) You
- (E) All-of the above

4. What is the three major components of Entrepreneurship that you have to connect in your business plan?

- (A) Team, Policy, Finance
- (B) Opportunity, Team, Resources
- (C) Culture, Supports, Markets

5. Choose a set of strategies below that is adopted to achieve the mission of the College of Business at Southern University.

- (A) Effective instruction, impactful research, and innovative community engagement
- (B) Impactful research, outstanding extension, and innovative community engagement
- (C) Effective teaching, outstanding research development, and extended impact

6. What are the four phases of the Real Estate Market Cycle?

- (A) Over-supply, Contraction, Retention, and Recession
- (B) Recovery, Expansion, Hyper-supply and Recession
- (C) Recession, Depression, Hyper-supply, and Recovery

7. _____ is a methodology that encourages you to always ask and never assume. To push forward your minimum viable product, to test things and adjust as required, and to keep

your user at the center of it all. The Build—Measure—Learn feedback loop is a core component of this framework. It emphasizes more on having the right attitude and mentality, rather than what steps need taking. Name five types of properties that need to be developed in neighborhoods.

- (A) Road show
- (B) Lean startup
- (C) Initial Public Offerings

8. Which of the following correctly lists five criteria for when neighborhoods need to be developed?

- (A) According to civic center activities, according to crime-prevention programs, according to neighborhood strategic plans, according to local planning, zoning and building coded and according to agreed-upon completion schedules.
- (B) Individual initiative, according to local government policy, according to neighborhood strategic plans, according to local planning, zoning and building coded and according to agreed-upon completion schedules.
- (C) According to fire marshal codes, according to the state government initiatives, according to civic center activities, according to crime-prevention programs, according to neighborhood strategic plans

9. What are the stages of Economic Development we have experienced in the U.S.?

- (A) Self-sufficient, Agricultural, Manufacturing, Tertiary
- (B) Agricultural, Industrial, Knowledge, Creative
- (C) Agricultural, Knowledge, Digital, Manufacturing

10. What is the definition of the Business Cycle?

- (A) The business cycle is the periodic but irregular up-and-down movement in economic activity, such as Gross Domestic Product (GDP).
- (B) The business cycle is the consumer confidence index measured at the University of Michigan.
- (C) The business cycle is the period of temporary economic decline during which trade and industrial activity are reduced.

11. The land acquisition process requires a legal transaction. What type of professional should you have on your team to undertake the process?

- (A) You can do it yourself
- (B) An Attorney
- (C) Accountant

12. How many years does it take to complete a cycle according to Fred E. Foldvary?

- (A) 5
- (B) 10
- (C) 18

13. According to the real estate cycle model, _____ is surely followed by sky-rocketing prices, over-developments, and a rising number of vacancies in the housing market.
- A. stagnation
 - B. hyper-supply
 - C. recession
14. Currently, is the housing market in a Buyer's Market or a Seller's Market? Why?
- (A) Buyers' market because the economy is in an expansion.
 - (B) Sellers' market because of low inventory and high demand.
 - (C) Buyers' market because of low interest rates.
15. Which is the best phase for the savvy real estate investor?
- (A) Phase Four
 - (B) Phase Two
 - (C) Phase one
16. According Mr. Campbell, there are three major types of industries: High risk, restricted, and lower risk industries. Out of these three classifications, real estate development is considered to be_?
- (A) High risk industry
 - (B) Restricted industry
 - (C) Lower risk industry
17. Which of the following properly lists the items that you need when you apply for a business loan?
- (A) Personal tax returns for the most recent 3 years; aging of accounts receivable and payable; IRS Form 4506 signed for business tax returns of personal schedule C.
 - (B) Personal tax returns for the most recent 10 years; aging of accounts receivable and payable; IRS Form 4506 signed for business tax returns of personal schedule C.
 - (C) Personal tax returns for the most recent 1 year; aging of accounts receivable and payable; IRS Form 4506 signed for business tax returns of personal schedule C.
18. According to the five C's of credit, car loans secured by cars and mortgages secured by homes are the examples of:
- (A) Capital
 - (B) Collateral
 - (C) Character
19. How is debt service coverage computed?
- (A) Debt service coverage is the available annual account payables after payment of operating expenses divided by the annual debt payment.
 - (B) Debt service coverage is the available annual cash flow after payment of operating expenses divided by the annual debt payment.
 - (C) Debt service coverage is the available annual notes payables after payment of operating expenses divided by the annual debt payment

20. After the loan is approved, what document does the banker issue that describes the terms of the agreement?

- (A) A Proof of Credit line
- (B) Commitment Letter
- (C) Acknowledgment Letter

21. What is the purpose of a construction inspector?

- (A) The construction inspector visits the construction site in connection with each draw request to provide the bank with an estimate of the percentage of completion of the project.
- (B) The construction inspector visits the construction site to speed up the completion of the project.
- (C) The construction inspector visits the construction site to estimate the net worth of the project.

22. During his presentation, Mr. Matthew shared his neighborhood development projects in the past. What is the threshold amount of investment in whether or not he flips a house?

- (A) Less than or equal to \$50,000
- (B) Less than or equal to \$75,000
- (C) Less than or equal to \$125,000

23. Urban “revitalization” brings more services to a certain area. Often, this revitalization becomes gentrification. One case of extreme gentrification is the Bay Area in California. Which of the following most correctly describes “gentrification?”

- (A) the process of renewal and rebuilding accompanying the influx of middle class or affluent people into deteriorating areas that often displaces poorer residents
- (B) An economic development aimed to create a neighborhood for longstanding community members
- (C) A neighborhood economic upgrading aimed to provide employment opportunities to lower income households

24. We can stem the tide of gentrification. Which of the following is NOT recommended to achieve the goal?

- (A) Development of intentional land use development and disposition policies by the municipality that prioritizes affordability.
- (B) Cultivating funding sources for affordable development.
- (C) Small developers creating affordable housing opportunities
- (D) Relying on Opportunity Zones tax credit

25. The core tenets of Jericho Road’s homebuilding include using sustainable, environmentally-friendly materials, and energy efficient appliances and fixtures for construction to pass along greater savings to the homeowner. For the Central City Infill Homeownership project, the JREHI, for example, used _____ so that the homeowner could avoid possible termite and hot-and-humid weather- related issues in the long run.

- (A) metal porch columns
- (B) wood porch columns
- (C) PermaCast porch columns

26. What is the name of the style of house, shown below, that is optimal for placement on a narrow and shallow lot?



- (A) Shotgun
- (B) Boutique
- (C) Camelback

27. Affordable housing options support collective growth and prosperity of a community. Which of the following correctly defines the term “affordable housing” in housing programs in the United States?

- (A) An housing unit that a household can obtain for 30 percent or less of its gross income.
- (B) An housing unit that a household can obtain for 30 percent or less of its net income.
- (C) An housing unit that a household can obtain for 25 percent or less of its net income
- (D) An housing unit that a household can obtain for 25 percent or less of its gross income.

28. What is the term that describes the discriminatory practice of fencing off areas where banks would avoid investments based on community demographics?

- (A) Assemblage
- (B) Decoupling
- (C) Redlining
- (D) Conjugating

29. Which of the following is the U.S. Government affordable housing assistant program enacted as part of the Housing Act of 1937 that allows private landlords to rent apartments and homes at fair market rates to qualified low income tenants, with a rental subsidy administered by Home Forward?

- (A) Rental Assistance Payments
- (B) HOPE VI
- (C) Section 8
- (D) Section 515

30. The MIT Living Wage indicates how much is “enough” to live in your county by comparing the living wage—based on the barebones cost of housing, food, transportation, and child and health care. What is MIT living wage for an average Louisiana citizen?

- (A) \$32.05

- (B) \$23.05
- (C) \$17.48
- (D) \$29.18

31. According to a survey of Consumer Finances, Net Worth by the Fed in 2016, White families have an average of \$216K in housing wealth, while Black families have _____, and Latinx families have \$130K.

- (A) \$132K
- (B) \$83K
- (C) \$94K
- (D) \$135K

32. According to the Center for Planning Excellence, _____ of rental households are spending more than 30% on housing and jobless due to COVID-19 in New Orleans as of July 2021.

- (A) 5%
- (B) 10%
- (C) 19%
- (D) 50%

33. Heirs' property in the U.S. is owned by two or more people, usually people with a common ancestor who has died without leaving a will. One of many issues with this heirs' property includes:

- (A) Heirs' property leads to so many different legal titles.
- (B) Heirs cannot access grants or loans for property improvements.
- (C) Disproportionately low among Black, Indigenous, People of Color, and low income and low-wealth households.

34. When working with QuickBooks, the most important step in the process is:

- (A) Opening a bank account
- (B) Setting up the company properly
- (C) Hire an accountant
- (D) Hire an attorney

35. QuickBooks will provide a default Chart of Accounts. The chart of accounts can be viewed through which QuickBooks menu:

- (A) Tasks
- (B) Your Company
- (C) Accounting
- (D) Both Tasks and Your Company

36. New accounts can be added to the Chart of Accounts in which menu item:

- (A) Edit
- (B) Vendors
- (C) Company

(D) Reports

37. The Profit & Loss and Balance Sheets are the most important financial statements of your business. These financial statements can be found in which menu:

- (A) Accountant
- (B) List
- (C) Reports
- (D) Banking

38. When creating an invoice in QuickBooks, this process should be performed in which menu item:

- (A) Accountant
- (B) Company
- (C) Customers
- (D) Vendors

39. Receiving a payment in QuickBooks is performed in which menu item:

- (A) Customers
- (B) Banking
- (C) Reports
- (D) File

40. The Balance Sheet is a static snapshot of your company's net worth on a given date. It includes the following items:

- (A) Cash balances only
- (B) Accounts Receivable balances only
- (C) Accounts Payable balances only
- (D) Cash balances, Accounts Receivable balances, and Accounts Payable balances

41. General Liability insurance coverage provides protection for

- (A) Your Workers injured on the job site
- (B) Covers third party injury and property damage only
- (C) Covers all liability damage caused at the job site

42. If you were in the process of building a home and Hurricane Ida did damage to the structure, which policy is most likely to pay for damages?

- (A) Homeowners Insurance
- (B) Renters Policy
- (C) Workers Compensation
- (D) Builder's Risk

43. Title Insurance provides the following:

- (A) Guarantees that there are no problems with the title
- (B) The owner must buy owner's title insurance
- (C) Lender's title insurance protects the purchaser of the property

- (D) All of the above
- (E) None of the above

44. Small Construction or contracting businesses may bundle their general liability exposure with a commercial property insurance policy in a Business Owners Policy (BOP) if

- (A) Have over 100 employees
- (B) Operate in a high- risk industry
- (C) Have a large office or workplace
- (D) Your annual revenue is less than one million dollars

45. You can receive licensing from the Louisiana Licensing Board for Contractors except one:

- (A) Commercial License
- (B) Residential License
- (C) Mold Remediation License
- (D) Trade License

46. Workers Compensation protects against injuries at work for the following:

- (A) Pays for rehabilitation
- (B) Pays the owner of the business
- (C) Medical payments for workers
- (D) Both (A) and (C)
- (E) All of the above

47. What are the trade exceptions that are required to have a commercial license at the value of \$10,000 or more?

- (A) Plumbing/Carpentry/Concrete
- (B) Electrical/Mechanical/Plumbing
- (C) Mechanical/Carpentry/Electrical

48. What are the basic requirements for residential and commercial licenses?

- (A) Registered Business and Complete and submit an application
- (B) Financial statement with \$10,000 net worth
- (C) Applicant must pass Business & Law and Trade Exam
- (D) All of the Above

49. Home Improvement Registration requirements include all the following except:

- (A) Passing the Trade Exam
- (B) Complete and submit an application
- (C) Provide proof of general liability & workers' compensation insurance
- (D) Business entities must be registered with the Louisiana Secretary of State

50. How are contracts calculated to determine whether a contract reaches licensure limits?

- (A) Labor Only Cost
- (B) Labor and Materials Costs
- (C) Materials Only Cost

(D) It is based on the contract

51. What two programs assist contractors in securing bonding?

- (A) Small and Emerging Business Development Program and Hubzone Program
- (B) Bonding Assistance Program and Surety Bonding Program
- (C) Louisiana Contractor Accreditation Institute and Bonding Assistance Program
- (D) Hudson Initiative and 8(a) Business Development Program

52. The officers of a nonprofit (such as the president or the secretary) are individuals with responsibilities, and the authority to execute based on their job descriptions.

Together, the officers and the board will come together to make up the organizational structure of your nonprofit. The organization structure of your nonprofit in Louisiana MUST include *except one*:

- (A) A president
- (B) A secretary
- (C) A treasury
- (D) A comptroller

53. Which of the following best describes the acquisition process adopted by Xavier University?

- (A) Negotiate sale – locate owner – renovation – lease – identify property
- (B) Identify property – locate owner – negotiate sale – renovation – lease
- (C) Identify property – renovation – locate owner – lease

54. According to Deidra Jones, property acquisition manager at Xavier University of Louisiana, acquiring property around its campus is to:

- (A) create a thriving campus community
- (B) increase its endowment
- (C) give more space to its communities

55. Which building code is used in the Southeast?

- (A) National Building Code
- (B) Seamount Building Code
- (C) Uniform Building Code
- (D) Standard Building Code

56. There is no universally accepted definition for management. The definitions run the gamut from very simple to very complex. For practical purposes, we define management as “the application of planning, _____, staffing, directing, and Controlling functions in the most efficient manner possible to accomplish meaningful organizational objectives.

- (A) Budgeting
- (B) Auditing
- (C) Organizing

57. What is a Community Development Financial Institution?

- (A) A financial institution that provides credit and financial services to underserved markets and populations in the U.S.
- (B) A financial institution similar to a commercial bank, is a member-owned financial cooperative, which focuses on community developments.
- (C) A financial institution owned by the U.S. small business administration provides financial services to the general public at lower interest rates.

58. What do we use Construction Drawings for?

- (A) To build
- (B) To obtain permits
- (C) To prepare estimates
- (D) To obtain bids
- (E) All of the above

59. Symbols provide a _____ for plan reading.

- (A) Scale
- (B) Dimensions
- (C) Common language
- (D) Number
- (E) None of the above.

60. Name the basic parts of a drawing sheet.

- (A) Title block
- (B) Border
- (C) Drawing area
- (D) Color
- (E) A, B, and C

61. What does the floor plan of the house show?

- (A) Door and window locations
- (B) Interior and exterior walls
- (C) Location of your bedroom
- (D) Your man-cave
- (E) All of the above

62. The roof plan shows

- (A) The elevations
- (B) The roof pitch or slope
- (C) The windows
- (D) The kitchen
- (E) All of the above.

63. A building section is a _____ through the building.

- (A) Plan
- (B) Detail

- (C) Vertical slice
- (D) B and C
- (E) None of the above.

64. What are the 4 steps commonly associated with controlling management function?

- (A) Set standards - measure performance - compare performance - take corrective action
- (B) Set goals – perform objectives – set strategies – achieve goals
- (C) Set out strategy – set objectives – measure outcomes – achieve goals

65. What are Opportunity Zones?

- (A) A new statewide program that provides rent and utility assistance to eligible low- and moderate-income renters experiencing financial hardship due to the economic effects of COVID-19.
- (B) A designation and investment program created by the Tax Cuts and Jobs Act of 2017 allowing for certain investments in lower income areas to have tax advantages.
- (C) A federally established investment areas that can be developed to provide tax credits for market-rate housing development.

66. What is the Louisiana Housing Corporation responsible for in housing matters?

- (A) LHC is responsible for the distribution of state and Federal funds for housing projects
- (B) LHC is responsible for the management of affordable housing that is conducive to promoting and supporting community development.
- (C) LHC is partially responsible for the management of federally mandated housing codes for the public housing projects under Section 8.

67. Three different subcontractors are used to develop a 10-lot subdivision. Potential buyers notice a big difference in the quality of the workmanship between each of the houses. Which construction type is most likely to have been used in the building of these 10 homes?

- (A) Timber frame
- (B) Concrete block
- (C) 3D printing
- (D) Precast panels

68. Which is NOT a benefit of a 3D printed home?

- (A) Project costs are easier to estimate and control.
- (B) Provides a more consistent final product.
- (C) This technique sides steps the supply chain shortages.
- (D) Inconsistency in finished walls adds to the individual character of each home.

69. Which construction technique uses additive welding?

- (A) Timber frame
- (B) Steel buildings
- (C) Metal studs
- (D) 3D printing

70. When building an estimate in Xactimate, which of the following is in the correct order?

- (A) Print Final Report, sketch roof and walls, select line items, input claim information.
- (B) Select line items, input claim information, sketch roof and walls, print final report.
- (C) Input claim information, sketch roof and walls, select line items, print final report.
- (D) Sketch roof and walls, select line items

71. A Final Report would be printed using the _____ tab in Xactimate.

- (A) Complete
- (B) Tools
- (C) Documents
- (D) Estimate

72. O&P totaling ____% is added to an estimate when...

- (A) 10%, you want to charge extra money on a job.
- (B) 10%, two or more trades are needed to complete a job.
- (C) 20%, two or more trades are needed to complete a job.
- (D) 20%, three or more trades are needed to complete a job.

73. Xactimate allows you to adjuster the Price List under which tab?

- (A) Tools
- (B) Insured Info
- (C) Parameters
- (D) Documents

74. Successful project managers:

- (A) Manage the proposal effort
- (B) Control the budget and schedules
- (C) Set the project vision statement
- (D) Manage the proposal effort and Control the budget and schedules
- (E) A Manage the proposal effort and Set the project vision statement

75. Project management is the process of leading the work of a team to achieve goals and meet success criteria at a specified time. Numerous studies also document that some projects can be destined for failure. Which of the following correctly lists the five characteristics of a failing project?

- (A) Lack of resources - lack of planning - lack of connections - lack of education - lack of knowledge
- (B) Lack of planning - lack of clear roles & responsibilities - lack of change management - poor budgeting - poor scheduling
- (C) Lack of visions - lack of goals - lack of objectives - lack of strategies - lack of outcomes

76. The construction project manager should be able to provide periodic update to his/her client. The update should include:

- (A) Construction crew status and expense reports

- (B) Pictures and written inspection reports on progress
- (C) Budget plan and project estimates

77. Characteristics of a good schedule:

- (A) Easily communicated
- (B) Flexible - Easy to update and change.
- (C) Forces early deadlines
- (D) Does not allow for slippage
- (E) Easily communicated, Flexible - Easy to update and change; and Forces early deadlines

78. What are five primary factors used by organizations in selecting developers?

- (A) Number of business employees, number of government contacts, community impact and diversity, and capacity building.
- (B) Experience and capacity, project strength, repayment ability, community impact and diversity, and capacity building.
- (C) Educational level of business owners, number of business employees, number of government contacts, community impact and diversity, and capacity building

79. Should a neighborhood developer respond to a proposal in whatever way they see fit and submit the information when they are finished?

- (A) Yes, it strengthens developer's capacity
- (B) No, Respond to the proposal as requested and submit on time.
- (C) Probably yes, because it will show your credibility.

80. Is it important to know government policies and zoning laws in the area you plan to develop?

- (A) Yes
- (B) No