

Sustainable Neighborhood Developers' Program

PRACTICE Exam Questions (80)

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 class materials of the Six-week program.



Choose the best answer.

1. The Spring 2024 Creating Sustainable Neighborhood Developers' Program includes twelve modules on: on (1) Entrepreneurship and Small Business fundamentals, (2) The State of Real Estate Development, (3) _____, (4) Relationship & Team Management, (5) Personal Finance & Funding, (6) Provisional Capacity Assessment, (7) Development & Construction, (8) License-Permits-Certifications-Insurance, (9) Understanding Blueprints, Bidding Projects, and Construction Documentation, (10) Xactimate (11) Project Management. Fill up the blank using the following.

- A. Contractor Procurement
- B. Strategic planning
- C. Real Estate Acquisition

2. 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 the state government initiatives, according to civic center activities, according to crime-prevention programs, according to neighborhood strategic plans

3. Through the CSND program, Southern University College of Business strives to help small and minority businesses bridge society's _____ and digital divide and uplift income and wealth creation opportunities.

- A. Economic
- B. Political
- C. Geographical

4. Which of the following could be a good indicator of the expansion stage of real estate cycle?

- A. fear in the general population
- B. lower supply of property
- C. lower home mortgage rates

5. Similar to the broader economy, commercial real estate is a cyclical market. There are four phases to the real estate cycle: Recovery – expansion - hyper-supply - _____.

- A. deflation
- B. recession
- C. stagnation

6. Which phase of the Real Estate cycle is represented by high unemployment?
- A. Phase 1
 - B. Phase 2
 - C. Phase 3
7. There are several factors that significantly affect the Real Estate Market. Which of the following is NOT considered as a major factor?
- A. Interest rates
 - B. Demographics
 - C. Exchange rates
8. What are 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
9. According to the Timmons Model of Entrepreneurship, the three critical factors of a successful entrepreneurial business are opportunities, teams, and _____.
- A. business plan
 - B. resources.
 - C. creativity
10. Broadly speaking, property developers (i.e., sustainable neighborhood developers) need to know the community issues and priorities such as crime, blight, sanitation, infrastructure, housing, _____, and poverty.
- (A) Investors
 - (B) Capital
 - (C) Homelessness
11. According to Fred E. Foldvary, the average real estate cycle lasts _____, and the current cycle will end by 2025?
- A. 4 years
 - B. 8 years
 - C. 18 years
12. Leading economic indicators can provide valuable insights into the direction of the real estate market. For example, the monthly consumer confidence index of the University of Michigan is a leading economic indicator, which helps us foresee how well or bad the overall economy will be in the near future. Which of the following is not a leading economic indicator?
- A. Gross Domestic Product (GDP) Growth
 - B. Housing Affordability Index
 - C. Duration of employment

D. Building permit

13. According to Ms. Baaheth, there are two types of real estate investments in a broad sense. Which of the following is considered as a long term real estate investment?

- A. Land Purchases
- B. Flipping real estate properties
- C. Purchasing a real estate funds

14. How long does a community plan for East Baton Rouge Parish government remain viable?

- A. 20 years
- B. 10years
- C. 5 years

15. In East Baton Rouge parish, the Permits & Inspections Division is responsible for the permitting of residential and commercial improvements (plan review and approval); code inspections; and code enforcement for zoning, building, occupancy, mechanical, plumbing, and electrical construction. According to the Division, residential work exceeding _____ must be performed by a registered home improvement contractor or licensed residential contractor.

- A. \$7,500
- B. \$5,000
- C. \$1,500

16. Is the following statement true? Local governments can impact a community's economic planning effort to build their official community plan and shape it's goals and land use.

- A. Yes
- B. No

17. With Build Baton Rouge Plank Road Project which is correct:

- A. The area around Plank Road is 96% African-American.
- B. The median household income is \$26,000 a year
- C. Plank Road has never experienced White-Flight.

18. Build Baton Rouge Plank Road Project initially consists of two projects. Which is correct?

- A. A train station and a bus station
- B. A Grocery Store & A Train Station
- C. A Health Care Clinic and a Grocery Store
- D. A Night Club and a Coffee Shop

19. Community development ecosystem includes all but:

- A. Real Estate Development
- B. Land banking and enforcement
- C. Community engagement
- D. Public-private partnership

E. Hub zone

20. Some of Build Baton Rouge Sources of Funding came from:

- A. The Veterans Administration
- B. The Louisiana Housing Corporation
- C. Chase Bank Grant – Flood Hub
- D. Elon Musk Foundation

21. What is the definition of an adjudicated property?

- A. A property that has been idled because of insufficient development funds
- B. A property for which a tax sale title is acquired by a political subdivision/ city
- C. A property that has been placed in state or local government by eminent domain law

22. What is acquisitive prescription?

- A. It is a right of ownership dismemberments that takes 6 months.
- B. It is a method of acquiring property, which usually takes less than 6 months.
- C. This is a means of acquisition that takes 10 years.

23. 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

24. 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. \$26.42
- C. \$17.48
- D. \$29.18

25. Which of the following is not HousingNOLA’s Statewide Development recommendation?

- A. Stabilize and reduce costs in the insurance market for housing of all types. Insurance is a major factor in delays of multi-family projects and affects single-family homeowners’ ability to purchase.
- B. Utilize a construction sales tax exemption for affordable housing developments.
- C. Engage in consulting to assist in the development of housing for homeless citizens in Louisiana.
- D. Prioritize disposition and use of public land for affordable housing

26. Of the list below, which is NOT an architectural style common to the Central City neighborhood of New Orleans?

- A. Greek Revival
- B. Craftsman
- C. Shotgun
- D. Camel-back

27. 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

28. Who can produce a property retracement for you?

- A. Architect
- B. Surveyor
- C. Civil engineer
- D. Previous owner

29. A development pro forma is an estimated budget for the project.

- A. True
- B. False

30. How is the debt to income ratio computed?

- A. Multiplying net equity to debt
- B. Dividing the annual personal debt payments by the annual gross personal income
- C. Dividing the annual income by monthly average liability

31. 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

32. A real estate cash flow projection should include all but:
- A. Net income
 - B. Vacancy percentage
 - C. Effective gross income
 - D. Assumptions
 - E. Margin calls
33. In a residential construction, draws are recommended monthly to limit inspection cost.
- A. False
 - B. True
34. 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
35. According to Mr. Matthew, what percent of the cost of a real estate development project will a bank typically require the borrow to inject?
- A. 60% to 70%
 - B. 30% to 40%
 - C. 20% to 30%
36. Which of the following is not true about the Louisiana Housing Corporation (LHC)?
- A. It was formed in 2011 when the Louisiana legislature merged multiple state housing service providers to centralize and streamline service.
 - B. It administers federal and state funds to provide affordable housing solutions and related services to low-to-moderate income families and individuals.
 - C. It establishes and implements the Louisiana housing strategies and policies.
 - D. It is an incorporated profit-oriented firm.
37. Which of the following is NOT eligible uses of The LHC's HOME funds?
- A. To provide home purchase or rehabilitation financing assistance to eligible homeowners.
 - B. To build or rehabilitate housing for rent or ownership.
 - C. To make site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development.
 - D. To make commercial based rental assistance contracts.
38. Creating sustainable neighborhood takes many forms. Ms. April Hawthorne, executive director of the Baton Rouge North Economic Development District (BRNEDD), demonstrated an outstanding practice in her district. The fabric of your neighborhood can be shinier by remodeling and upgrading the façades and signage of businesses around your neighborhood. As

of today, the District helped _____ small businesses in north Baton Rouge improve their building structures.

- A. 15
- B. 34
- C. 85

39. 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

40. 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

41. 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

42. The site plan usually portrays the building _____ on the site or lot.

- A. height
- B. footprint
- C. roof
- D. stairs
- E. gutters

43. Which of blueprint symbols indicates Square Tub?

- A.  B.  C.  D. 

44. Which of blueprint symbols indicates Exterior Door?



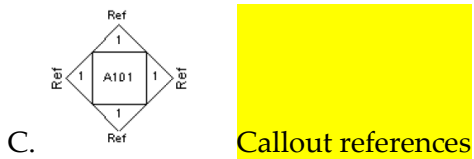
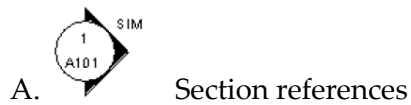
45. Which of blueprint symbols indicates Rubble Stone in elevation materials ?



46. Which of blueprint symbols indicates Junction Box?



47. Which of the following is a mismatch between symbol legend and intended meaning?



48. A drawing set is composed of ____ major types of drawings.
- A. 3
 - B. 6
 - C. 8
 - D. 9
 - E. None of the above
49. A building section is a _____ through the building.
- A. Plan
 - B. Detail
 - C. Vertical slice
 - D. B and C
 - E. None of the above.
50. What were Mr. Senegal Summary of his Firms' Vision?
- A. Think Small, grow into Bigger Paths
 - B. Think Big, Big Deal, Big Impact, Big Legacy
 - C. Think Small - Grow Big, Get big Rewards
 - D. Doing it Bing in the Big City
51. What is motivating in relation to the directing function?
- A. Motivating is the process of influencing people to work toward a common goal.
 - B. Motivating is the process of providing reasons for people to work in the best interests of an organization.
 - C. Motivating is the process of anticipating future events and conditions and determining courses of action for achieving organizational objectives.
52. There are five management functions: (1) planning, (2) organizing, (3) staffing, (4) _____, and (5) controlling.
- A. facilitating
 - B. projecting
 - C. budgeting
 - D. directing
53. There are three things planning relating to the management function helps businesses realize: _____, get things done, and show when things cannot get done.
- A. objectives
 - B. strategies
 - C. vision
54. 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

55. The LSBDC (Louisiana Small Business Development Center) mission is to Facilitate the formation and growth of Small Business through individual one-on-one consulting services, entrepreneurial workshops , training programs and business resources.

- A. True
- B. False

56. What is not a Component of Developers:

- A. Project Management
- B. Financing Projects
- C. Fund Raising through Bake Sales
- D. Construction Management

57. The Commercial Builder's License contractor can build projects \$25,000 or more.

- A. True
- B. False

58. 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

59. 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

60. Which is not part of a Commercial Building Construction License duty?

- A. Three or more single family houses built under the same contract in the same subdivision.
- B. Two or more duplexes, triplexes or fourplexes.
- C. Apartment buildings or condominiums
- D. A single duplex, triplex or fourplex

61. In her presentation, Ms. Askins described blend marketing and management techniques for closing real estate deals requires us to understand not only how to sell properties, but also how to sell _____ that comes with them.

- A. the quality
- B. the convenience
- C. the lifestyle

D. the amenities

62. When you do content marketing, you should address three basic components: valuable content creation, consistency, and _____.

- A. cost benefit analysis
- B. adoptability
- C. Diverse format

63. In the slide "Know Your Market", Clem Jr Development said that two of the most important knowledge that a developer needs to know is, who are buying the homes. The other important knowledge that a developer needs to know is:

- A. Is there a shortage of affordable homes in your market?
- B. It is hard to build an affordable housing project in depressed areas.
- C. The mayor of all cities does not want affordable homes built in their towns.
- D. Will the state fund your project in certain areas?

64. Clem Jr Development mention three important items, which one is not what he mentioned?

- A. Does the city or parish have money to disperse?
- B. How much liquidity do you have to pledge to the project
- C. Make sure you make a profit
- D. All deals are good deals.

65. 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, print final report, input claim information.

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

- A. Complete
- B. Tools
- C. Documents
- D. Estimate

67. According to 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

68. 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.
69. 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
70. The real estate project development processes are broadly broken down into the followings **except one**.
- A. Swimming Pool & Tennis Court Study
 - B. Economic Feasibility Study
 - C. Design Feasibility
 - D. Financial Feasibility
71. In economic feasibility study, market analysis is to identify _____ in the real property market, to help estimate the market value of the completed property, and to provide documentation for the financing decision.
- A. Deficit
 - B. Supply
 - C. Needs
72. Design Feasibility Site requires Foot Print, Parking, and Landscaping.
- A. True
 - B. False
73. Lead is a soft gray metal element that occurs naturally in the earth.
- A. True
 - B. False.
74. Does environmental issues affect the inspection of a home for sale?
- A. Yes
 - B. No
75. Roles of a Project Manager. Which is incorrect:
- A. Traditional Roles
 - B. Marketing Roles
 - C. Financial Roles

D. Municipality Roles

76. Is having No Clear Vision is the reason why project fails?

- A. Yes
- B. No

77. The Project Manager acts as :

- A. Owners Agent
- B. Contractors Agent
- C. The Parish Inspector Agent

78. Is a relaxed atmosphere good for having an effective project team?

- A. Yes
- B. No

79. Personality Traits in Project Management, which is incorrect?

- A. Driver
- B. Expressive
- C. Autocrat
- D. Analytical
- E. Amiable

80. 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