

Modern Real Estate Practice in Illinois, 6th Edition
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Chapter 20 Review Quiz

1. Deed restrictions can be created by all of the following EXCEPT by
 - A. deed.
 - B. statute.
 - C. written agreement.
 - D. general plan of a subdivision.

2. Restrictive covenants that run with the land
 - A. are no longer effective when the title is transferred.
 - B. apply only until the developer has conveyed the title.
 - C. can be removed by a court of competent jurisdiction.
 - D. apply to and bind all successive owners of the property.

3. The primary intent of zoning ordinances is to
 - A. ensure the health, safety, and welfare of the community.
 - B. demonstrate the police power of the state.
 - C. limit the amount and types of businesses in a given area.
 - D. protect residential neighborhoods from commercial encroachment.

4. The condemnation of private property for public use is made possible by the right of
 - A. police power.
 - B. escheat.
 - C. eminent domain.
 - D. confiscation.

5. For the past 30 years, the Lews have operated a neighborhood grocery store. Last week the city council passed a zoning ordinance that prohibits packaged food sales in the area where the Lews' grocery store is located. The store is now an example of a(n)
- A. illegal enterprise.
 - B. nonconforming use.
 - C. violation of the zoning laws.
 - D. variance of the zoning laws.
6. Deed restrictions could legally restrict all of the following *EXCEPT* the
- A. sizes and types of structures to be built.
 - B. potential future uses of the properties.
 - C. future owners and occupants of the properties.
 - D. exterior finish and decoration of the structures.
7. Which of the following best describes the purpose of a building permit?
- A. The method for overriding or substantiating deed restrictions
 - B. The municipal control over the volume of construction
 - C. The evidence of compliance with municipal regulations
 - D. The method of regulating the area and size of buildings
8. A residential developer's deed restrictions would probably include all of the following *EXCEPT*
- A. easements in gross for the installation of public utilities.
 - B. an agreement not to sell without the consent of the neighbors.
 - C. the minimum square-footage for any home to be built in the subdivision.
 - D. a reference to the use of community facilities by residents only.
9. A development company owned property that the city wanted so that it could extend the runways at the municipal airport. If the company refuses to negotiate with the city, then the city may acquire the property by
- A. escheat.
 - B. accretion.
 - C. confiscation.
 - D. eminent domain.

10. A tire company has a manufacturing plant located in an area that has just been rezoned for residential use. The company is allowed to continue operating the plant under the new zoning classification. However, if the plant is destroyed by fire or other hazard, the tire company
- A. may not construct another plant in the neighborhood without first applying for a zoning variance.
 - B. may not construct another plant in the neighborhood unless they secure a variance.
 - C. may construct another plant if it obtains the consent of the residents then living in the neighborhood.
 - D. may construct another plant without the residents' consent as long as the homeowners' association approves it.
11. If the buyer of a vacant lot builds a house that violates the restrictions in his or her deed, the buyer may
- A. forfeit the title to the property.
 - B. be sued and required to alter the structure to conform with the restrictions.
 - C. be sued and required to pay damages to the other residents in the neighborhood.
 - D. do so without any fear of reprisal by the residents in the area.
12. Which is *NOT* an example of police power?
- A. Zoning ordinances
 - B. Building codes
 - C. Restrictive covenants
 - D. City planning requirements
13. Before the government can exercise its right of eminent domain, the use of the property must be
- A. a public use for which the property owner will be fairly compensated.
 - B. established for the health, safety, and welfare of the government.
 - C. a local use that will benefit the residents in the immediate area.
 - D. established as a fee simple determinable estate for a particular use.

14. Legislation designed to convert residential zoning into conservation or recreational purposes
- A. is usually supported by all of the residents of a given area so that the majority rules.
 - B. may be found by the courts to be a "taking" without the payment of just compensation to the property owner.
 - C. generally is supported by special interest groups whose power might be greater than that of the courts.
 - D. may be found to be an excessive use of police power by the courts and therefore ruled as unconstitutional.
15. In a widely publicized dispute, Hank refused to sell his land to the local school district. He believed that the price the school district offered him for the land was not sufficient consideration. If the school district were to pursue the matter in court, what legal proceeding would it institute to force Hank to sell his land to them?
- A. Escheat
 - B. Foreclosure
 - C. Probate
 - D. Condemnation
16. A conveyance that includes a condition controlling or limiting the use of the property conveyed is an example of
- A. the need for competent legal advice.
 - B. a deed restriction.
 - C. the need for a zoning appeal.
 - D. a zoning variance.
17. Local zoning ordinances often regulate all of the following *EXCEPT*
- A. the height of buildings in an area.
 - B. the density of population.
 - C. the use of the property.
 - D. the price of the property.

18. Deed restrictions are a means by which
- A. local zoning laws are enforced.
 - B. the planning commission controls developers.
 - C. municipalities enforce building restrictions.
 - D. grantors control the future use of the ownership.
19. The owner constructed a building that is seven stories high. Several years later the municipality changed the zoning ordinance, prohibiting buildings that exceed six stories in height. Which of the following is true regarding the existing seven-story building?
- A. It is a nonconforming use.
 - B. The building must be demolished.
 - C. It is a conditional use.
 - D. The owner must obtain a variance.
20. Under an existing ordinance no signs may be placed on a building that extends more than three feet above the highest point of the roof. An owner wants to erect a nine-foot high revolving sign on the roof of his store. In order to legally do this, the owner must get a
- A. deed to the air rights.
 - B. variance.
 - C. nonconforming use permit.
 - D. court order.
21. Zoning ordinances normally define specific uses for land that are permitted within a municipality. Which of the following is not a designated use in the ordinances?
- A. Industrial
 - B. Commercial
 - C. Residential
 - D. Rental
22. The purpose of bulk zoning is to
- A. ensure that certain kinds of uses are incorporated into developments.
 - B. specify certain types of architecture for new buildings.
 - C. control density and avoid overcrowding.
 - D. set overall development goals for the community.

23. A municipality establishes development goals through its
- A. subdivision regulations.
 - B. restrictive covenants.
 - C. environmental regulations.
 - D. comprehensive plan.
24. The purpose of building permits is to
- A. generate revenue for the municipality.
 - B. control the activities of building inspectors.
 - C. ensure compliance with building codes.
 - D. prevent encroachments.
25. Which of the following is a variance?
- A. An exception to a zoning ordinance
 - B. A court order prohibiting certain activities
 - C. A reversion of ownership
 - D. A nullification of an easement
26. The construction of a family room, additional bedroom and extra bath has been completed on the owner's home. Before the addition can be used, which of the following is true?
- A. The municipality must issue a building permit.
 - B. Only the bath and plumbing must be inspected by the plumbing inspector.
 - C. The municipality must issue an occupancy permit.
 - D. The municipality must issue a conditional-use permit.
27. Which would *NOT* be included as part of the development costs of a lot?
- A. Curbs and gutters
 - B. The purchase price of the land
 - C. Site grading
 - D. Sanitary sewer installation

28. When planning a subdivision, the developer should determine the kinds of land uses to be involved and the amounts of land to be allocated to each use by considering
- A. the most profitable types of buildings to construct.
 - B. his or her concepts for what is considered as an ideal development.
 - C. the application of the economic principle of highest and best use.
 - D. the customs of the area and what other developers have already done.
29. A subdivider or developer who fails to comply with the requirements of the Interstate Land Sales Full Disclosure Act may be
- A. subject to criminal penalties of fines and imprisonment.
 - B. ordered to cease and desist work on the project.
 - C. sanctioned and blacklisted by lenders in the area.
 - D. unable to secure FHA-insured and VA-guaranteed loans.
30. According to the Interstate Land Sales Full Disclosure Act, if the property report is not given to the prospective purchaser at least three days before the contract is signed
- A. the purchaser may revoke the contract, at his or her option, up to midnight of the seventh calendar day following the signing of the contract.
 - B. the purchaser may revoke the contract up to two years following the signing of the contract.
 - C. the subdivider or developer must see that the purchaser receives the report within two years of the signing of the contract.
 - D. the subdivider or developer must see that the property report is delivered to the purchaser before any construction is started on the property.
31. In a new subdivision, streets, curbs, and sidewalks are usually provided by the
- A. municipality.
 - B. new property owners.
 - C. developer.
 - D. state.

32. Perry is in the business of buying large tracts of land and then reselling them to consumers in small tracts. Perry is a
- A. developer.
 - B. real estate broker.
 - C. engineer.
 - D. subdivider.
33. In a new subdivision, streets, curbs, and sidewalks are usually required by the
- A. municipality.
 - B. property owners.
 - C. developer.
 - D. state.
34. The purchaser of a property in a planned unit development will usually receive all of the following *EXCEPT*
- A. an interest in the unit owners' association.
 - B. a proprietary lease for the unit to be occupied.
 - C. the title to the land on which the unit is built.
 - D. a share in the control of the commonly owned elements.
35. A subdivision was developed, and one of the deed restrictions covering all of the properties in the subdivision set aside the back six feet of each parcel as a combination green belt area and bicycle path. Homeowner Evan plans to convert the back one-half of his yard into an organic garden. His neighbors can
- A. do nothing because individual homeowners have no authority in this matter.
 - B. go to court in an attempt to obtain injunctive relief.
 - C. force homeowner Evan to sell his property.
 - D. share in the profits from Evan's garden.
36. Ron is in the business of buying tracts of land, constructing shopping centers and other improvements on them, and then selling them to the general public. Ron is a
- A. developer.
 - B. real estate broker.
 - C. constructor.
 - D. subdivider.

37. A buyer moved into a subdivision and immediately constructed a tree house in the backyard. Subdivision regulations do not allow tree houses. In regard to this situation, can a neighbor require the owner to tear down the tree house?
- A. No. The neighbor has no legal recourse against the owner.
 - B. No. Only the builder of the home has legal recourse against the owner.
 - C. Yes, but only if the neighbor can secure the signatures of the majority of the people on the street to file a class action suit against the owner.
 - D. Yes. The neighbor can apply for a court injunction against the owner.
38. A buyer moved into a new neighborhood and discovered that he could not keep his pet pig in the backyard. The *MOST LIKELY* reason for this restriction is
- A. a deed covenant.
 - B. zoning.
 - C. a default clause in the mortgage.
 - D. the EPA.

IN ILLINOIS . . .

39. An Illinois home-rule unit
- A. has unlimited authority to exercise its police powers.
 - B. receives its power through enabling legislation.
 - C. may not elect to revert to non-home rule status.
 - D. is constitutionally empowered to jail offenders for up to one year.
40. The Illinois Land Sales Registration Act regulates the offering, sale, lease or assignment of any improved or unimproved land offered as part of a common promotional plan and divided into how many lots?
- A. 2 or more of 5 acres or less
 - B. 10 or more
 - C. 25 or more
 - D. Fewer than 25