

## Real Estate Principles

### Chapter 16 Quiz

1. A seller lists her home for sale, and her broker subsequently submits to her a full-price offer from a ready, willing, and able buyer. The seller refuses the offer and tells the broker it's because the buyer is black. The broker may:
  - A. tell the seller that she is in violation of the Fair Housing Act
  - B. sue the seller for his full commission
  - C. inform the buyer of his right to file a complaint with HUD
  - D. All of the above
  
2. A broker has a particular home listed for sale and an African-American buyer comes by and asks to see it. Under what circumstances may the broker refuse to show the buyer the home?
  - A. Under no circumstances
  - B. If the broker honestly believes that a sale to the buyer could result in panic selling
  - C. If the broker knows that the neighborhood is non-integrated and believes the buyer would feel uncomfortable there
  - D. If the seller is on vacation and has asked the broker not to show the house while he is gone
  
3. A real estate licensee is approached by a minority homebuyer who asks to be shown a specific home in a minority neighborhood. It is lawful for the licensee to assume that:
  - A. the buyer is comfortable within that particular neighborhood because of its ethnic composition
  - B. the buyer is interested in buying a home in a minority neighborhood
  - C. the buyer wants a particular size and style house
  - D. All of the above
  
4. Broker Beatrice obtains a full-price offer on a home from a Chicano buyer, as well as a lower price offer from a white buyer. She presents both offers to the seller, who accepts neither and instead sells to a neighbor, through Beatrice. The neighbor tells Beatrice and the seller he is buying the house because he is uncomfortable with minorities moving into the neighborhood. Who has not violated the Fair Housing Act?
  - A. Beatrice
  - B. the seller
  - C. the white buyer
  - D. the neighbor
  
5. The purpose of the Equal Credit Opportunity Act is to:
  - A. prevent lenders from discriminating against credit applicants
  - B. lower the cost of obtaining financing
  - C. standardize the requirements for obtaining credit
  - D. increase the amount of credit available to individual borrowers
  
6. An apartment rental application contains a question about marital status. This question is:
  - A. unlawful
  - B. is permissible as long as the building is owned by a single party
  - C. is permissible as long as rental ads inform applicants that the owner prefers married couples
  - D. is permissible as long as the building rents to unmarried tenants as well as married tenants

7. In an attempt to obtain listings, a broker visits sellers in a particular neighborhood and tells them that property values will soon decline due to a recent influx of minority homebuyers. This tactic is:
- A. legal if the statements can be proven true
  - B. legal as long as no sellers give him listings as a result of his statements
  - C. unethical but legal
  - D. illegal
8. Under the Fair Housing Act, an apartment owner is permitted to do all but which of the following?
- A. Check references from previous landlords
  - B. Run credit reports on applicants
  - C. Require security deposits
  - D. Require only single tenants to have a lease co-signor
9. A deed contains a restrictive covenant barring the sale of the land to persons of non-Caucasian descent. This covenant:
- A. is enforceable only as long as the grantor remains living
  - B. may be enforced by the grantee
  - C. is unenforceable but does not invalidate the conveyance
  - D. is illegal and invalidates the conveyance
10. In an integrated urban neighborhood, rising crime rates have caused a number of white families to move. Observing this trend, a broker begins actively soliciting listings from white families, providing discounted commission rates and frequent reminders that neighborhood values are declining. In doing so, the broker is:
- A. using legal, effective marketing techniques
  - B. staying within the requirements of the Fair Housing Act
  - C. violating the Fair Housing Act by engaging in blockbusting
  - D. violating the Fair Housing Act by engaging in racial steering
11. The Federal Fair Housing Act was intended to:
- A. provide opportunity for fair housing for all persons in the U.S.
  - B. guarantee separate but equal housing in the U.S.
  - C. eliminate prejudice in the U.S.
  - D. create housing for disadvantaged minority groups in the U.S.
12. Under the Fair Housing and Employment Act, a person who has suffered from discrimination in housing may receive:
- A. an opportunity to buy or rent the property if it is still available
  - B. an opportunity to buy or rent a similar property
  - C. money damages
  - D. Any of the above

13. A broker regularly lists homes at prices about 10% above their fair market value, requiring minority buyers to pay the listed prices, but allowing other buyers to pay lower amounts. This:

- A. does not violate the Fair Housing Act because minority buyers are not asked to pay more than the listed price
- B. would violate the Fair Housing Act only if an FHA or VA loan is involved
- C. subjects only the property owners to penalties for violation of the Fair Housing Act
- D. is unlawful and could make the broker liable for money damages

14. According to the Americans With Disabilities Act:

- A. a real estate office is considered to be a public accommodation
- B. a disability is defined as any permanent physical impairment
- C. architectural barriers that prevent access to goods and services must be removed regardless of cost
- D. all multi-story buildings must be equipped with elevators

15. The prohibition against discrimination on the basis of handicap in the Federal Fair Housing Act would not apply to discrimination against:

- A. a chronic alcoholic
- B. a heroin addict
- C. a person diagnosed as having AIDS
- D. a person with a mental disability