Chapter 9 Multiple Choice Questions

1. The text argues that students of real estate should study factors that influence demand at the national, regional, community and neighborhood levels because
   a. each of these factors affect the value and marketability of individual parcels of real estate.
   b. Americans should broaden their focus.
   c. upcoming activity in the U.S. Senate may alter the political landscape.
   d. All of the above

2. Which of the following factors may help determine a community’s comparative advantage?
   a. Transportation and education facilities
   b. Labor force and community leadership
   c. Climate and natural resources
   d. All of the above

3. The term __________ refers to industries that bring income into a region from beyond its borders.
   a. expatriation
   b. economic base
   c. import
   d. gentrification

4. Which of the following is an export activity?
   a. Retail trade via a convenience store
   b. Construction
   c. Automobile manufacturing
   d. Elementary school

5. Which is not generally considered to be an export activity?
   a. Mining
   b. Manufacturing
   c. Construction
   d. Agriculture
6. Which of the following is typically not a characteristic of a “poor” or declining real estate market?
   a. Falling rent levels
   b. Falling sales prices
   c. Decreasing vacancy rates
   d. Less new development

7. Which of the following is generally not considered to be a population-serving activity?
   a. Retail trade
   b. Cable T.V.
   c. Residential lending
   d. Wholesale trade

8. The most immediate effect of a declining birth rate is likely to be
   a. increased demand for smaller homes.
   b. increased demand for larger homes.
   c. decreased demand for smaller homes.
   d. no change in the size of the home.

9. Which of the following events would most likely cause the largest increase in demand for smaller-sized houses?
   a. Increase in the average household size
   b. Steadily increasing national population
   c. Decrease in family size
   d. Increase in two-earner households

10. National economic change affects local markets in
   a. both the short run and the long run.
   b. neither the short run nor the long run.
   c. the short run only.
   d. the long run only.

11. In local real estate markets, changes in demand in the very short run affect each of the following except
   a. vacancy rates.
   b. prices.
   c. supply.
   d. sales of existing property.
12. As the elderly become an increasingly larger component of the total population in some areas, the demand for all the following except _________ is likely to increase.
   a. retirement village housing
   b. condominium housing
   c. larger-sized single family detached housing
   d. vacation houses

13. Which of the following would not be considered part of the created environment?
   a. Utilities
   b. Transportation facilities
   c. Housing
   d. Climate

14. A city will tend to grow if employment increases in
   a. import activity.
   b. population-serving activity.
   c. government activity.
   d. export activity.

15. Although there are exceptions, the primary reason most people live in the communities they do is because of
   a. climate.
   b. political stability.
   c. cultural activities.
   d. employment opportunities.

16. The development of land between existing structures is called
   a. vertical growth.
   b. in-filling.
   c. the use of air rights.
   d. outward expansion.

17. A 1920s study of Chicago resulted in the _________ model of urban growth.
   a. multiple nuclei
   b. sector growth
   c. concentric circle
   d. axial growth
18. Beltway highways tend to
   a. increase the star-shaped growth patterns of cities.
   b. strengthen the importance of the Central Business District.
   c. further the development of multiple nuclei growth.
   d. create concentric circle growth.

19. The passage of housing to less affluent families as the housing ages is known as
   a. abandonment.
   b. down-filling.
   c. gentrification.
   d. filtering.

20. The axial model of urban growth results in a city that is
   a. circular.
   b. randomly nucleated.
   c. star-shaped.
   d. wedge shape.

21. Commercial development tends to occur
   a. along main highways and at major transportation intersections.
   b. in depressed regions of a city.
   c. in outlying areas where land is cheap.
   d. a and c only

22. Neighborhoods in the gestation stage, the youth stage or the maturity stage in the life cycle of neighborhoods are characterized by
   a. a large proportion of abandoned or deteriorated structures.
   b. a general rise in residents’ income levels and property values.
   c. high unemployment and high crime rates.
   d. All of the above

23. __________ refers to public investment in roads, water lines, sewer systems and other public facilities.
   a. Public provision
   b. Public policy
   c. Infrastructure
   d. Gentrification
24. When a neighborhood is revitalized, ________ is the displacement of lower-income residents by higher-income residents.
   a. filtering
   b. flight
   c. gentrification
   d. in-filling

25. As a neighborhood declines
   a. prices and rents increase, but public services decrease.
   b. public services increase, as the population density decreases.
   c. public services increase, as do rents and prices.
   d. population density increases, but public services remain stable.

26. Transportation is the major factor used to explain urban growth and form in the ________ model of urban growth.
   a. axial
   b. concentric circle
   c. sector
   d. multiple-nuclei

27. Which of the following models is not discussed in the text as a method of analyzing city growth patterns?
   a. Multiple-nuclei model
   b. Sector model
   c. Concentric-circle model
   d. Arc radial model

28. A theory based on the fact that some development tends to extend in pie-shaped form from the center of the city is known as the ________ model.
   a. multiple-nuclei
   b. axial
   c. concentric circle
   d. wedge-sector

29. Which of the following is not a part of a city’s infrastructure?
   a. Public utilities
   b. Sewerage
   c. Cable television
   d. Donut shops
30. Industrial growth tends to occur
   a. along major highways or railroads.
   b. in the central business district.
   c. in office parks.
   d. near retail centers.

31. It has been emphasized that the process of neighborhood deterioration and decline is not inevitable. The first attempt to renovate deteriorated dwellings is usually made by
   a. older, middle-income individuals.
   b. high income professionals.
   c. retired individuals.
   d. young, middle-income individuals.