EXAMPREP LAND USE CONTROLS AND REGULATIONS

- 1. Property value for tax purpose is \$60,000 and tax due \$2,700. What is the millage?
- A. 45 mills
- B. 0.045 mills
- C. 0.45 mills
- D. 4.5 mills
- 2. Sharon's house is located near a busy street. She recently received a letter from the city telling her that they are widening the road where her house is located, and the city has decided to buy her house out based on its fair market value. Sharon spoke to an attorney, and he told her that the city has the legal right to do so because it is exercising the right of:
- A. Zoning
- B. Escheat
- C. Police power
- D. Eminent domain
- 3. The city notified John that it was interested in purchasing his house to knock it down and make it a part of the adjacent airport that is being improved to add 3 more landing strips. John notified the city that he was not interested in selling the house because it has been in his family for more than 100 years. The city attorney notified John of condemnation proceedings. What were those proceedings?
- A. Legal action through which Eminent Domain is accomplished
- B. Action taken to enforce building codes
- C. A complaint regarding zoning violations
- D. Legal action to enforce the master plan
- 4. David passed away leaving no heirs or will. David's property will go to the state under the law of
- A. Police power
- B. Eminent domain
- C. Escheat
- D. Condemnation

- 5. Which of the following involves buying property from an owner even if he refuses to sell?
- A. Zoning ordinance
- B. Escheat
- C. Variance
- D. Condemnation
- 6. Which of the following is an indication of a possible grandfather clause?
- A. Placing a new mobile home on a lot located in a mobile home park
- B. Fining a homeowner for building a garage without obtaining a permit
- C. An old gas station located in the middle of a residential neighborhood
- D. A new supermarket placed in an old residential neighborhood
- 7. A buffer zone will probably be placed
- A. Near a new hospital
- B. On both sides of a factory
- C. Between two office buildings
- D. Between a subdivision and an industrial park

Answers:

- A 2,700 ÷ 60,000 = .045
 .045 x 1000 = 45 mills
 To double check your answer: 45 ÷ 1000 = .045 therefore you answer checks out
- 2. D Eminent domain is the government's right to take private property for public use if the taking is necessary and the owner is paid fair and just compensation
- 3. A Condemnation is legal action through which Eminent Domain is accomplished. It is meant to compel an owner to relinquish ownership to a government entity.
- 4. C Escheat is the reversion of property to the State when an owner dies intestate [without a will] and has no heirs
- 5. D Condemnation is action through which Eminent Domain is accomplished when an owner does not voluntarily agree to relinquish ownership. Escheat is the reversion of property to the State when an owner dies intestate [without a will] and has no heirs. Zoning is the act of local governments to determine the use of certain properties such as residential, commercial, industrial, and agricultural. Zoning variance allows the introduction by the government of a non-conforming use.

- 6. C A grandfather clause is a provision in the law that allows the continuation of a nonconforming use when such use had preceded a zoning change. Requirement of a building permit is set under the building codes. A new supermarket placed in an old subdivision is probably the result of a zoning variance which allows the introduction of a non-conforming use.
- 7. D A buffer zone is required between two zoning districts trying to minimize the effects of "economic obsolescence", i.e., the two districts do not complement each other.

EXAM**PREP**

ALL MICHIGAN INSTITUTE OF REAL ESTATE STUDENTS RECEIVE A \$50 DISCOUNT ON EXAM PREP. CLICK THIS LINK: MYREALESTATESCHOOL.COM/99

- The closest you'll get to the PSI real estate exam
- Erase answers/retake exams
- Instant answer explanations when you get a question right/wrong
- Simulation final exams set up like the real PSI exam
- Global leaderboard to see how you rank vs. other students

CLICK HERE TO GET THE EXAM PREP AND PASS THE FIRST TRY!