

Accredited Residential Manager (ARM) Certification Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

- 1. Which part of the Department of Housing and Urban Development sets policies for mortgage underwriting?**
 - A. Federal Housing Administration**
 - B. Office of Fair Housing**
 - C. Housing Choice Voucher Program**
 - D. Community Development Block Grant Program**
- 2. What is the primary focus of relationship selling?**
 - A. Product pricing**
 - B. Building customer rapport**
 - C. Ad placement strategies**
 - D. Market analysis**
- 3. What does Section 504 of the Rehabilitation Act of 1973 require?**
 - A. All housing to be free of charge**
 - B. Federally funded housing must be available for qualified individuals with disabilities**
 - C. Housing must meet environmental standards**
 - D. All tenants must have equal legal representation**
- 4. Which of the following represents the 5 P's of marketing?**
 - A. People, Process, Promotion, Place, Price**
 - B. Product, Price, Promotion, People, Placement**
 - C. Planning, Product, Promotion, People, Profit**
 - D. Product, People, Process, Placement, Policy**
- 5. What does the acronym EEOC stand for?**
 - A. Equal Employment Outreach Council**
 - B. Equal Employment Opportunity Commission**
 - C. Employee Equality Occupational Coalition**
 - D. Equal Employment Operations Center**

- 6. Which disciplinary method allows employees to take responsibility for their own actions?**
- A. Negative Reinforcement**
 - B. Positive Discipline**
 - C. Constructive Feedback**
 - D. Progressive Discipline**
- 7. Which of the following best describes liabilities?**
- A. Resources with future economic benefits**
 - B. Funds set aside for future capital improvements**
 - C. Debts that decrease property value**
 - D. Income generated from property management**
- 8. What does the term "Loss to Lease" refer to in property management?**
- A. Income generated from late fees**
 - B. Revenue lost due to below-market rents**
 - C. Maintenance costs incurred over time**
 - D. Vacancy rate losses**
- 9. Which financial document outlines estimated income and expenses for a property over a specific period?**
- A. Income Statement**
 - B. Budget**
 - C. Cash Flow Projection**
 - D. Financial Overview**
- 10. What is the process of collecting and reusing waste materials called?**
- A. Recycling**
 - B. Disposal**
 - C. Composting**
 - D. Incineration**

Answers

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1. A
2. B
3. B
4. B
5. B
6. B
7. C
8. B
9. B
10. A

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Explanations

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1. Which part of the Department of Housing and Urban Development sets policies for mortgage underwriting?

A. Federal Housing Administration

B. Office of Fair Housing

C. Housing Choice Voucher Program

D. Community Development Block Grant Program

The Federal Housing Administration (FHA) is responsible for setting policies related to mortgage underwriting. This agency, under the Department of Housing and Urban Development (HUD), plays a crucial role in making home financing accessible to a broader segment of the population. Specifically, the FHA establishes guidelines that lenders must follow when approving loans, which include minimum credit scores and debt-to-income ratios, as well as other requirements designed to protect both the borrower and the lender. The FHA's influence ensures that mortgage products are available to individuals who might otherwise have difficulty qualifying for conventional loans, thereby promoting homeownership and stabilizing communities. Through its policies, the FHA helps maintain standards in the mortgage market, which contributes to the overall health of the housing sector. In contrast, the other entities listed focus on different housing aspects. The Office of Fair Housing is primarily concerned with enforcing fair housing laws and ensuring equal access to housing. The Housing Choice Voucher Program provides rental assistance to low-income families, allowing them to afford housing in the private market. The Community Development Block Grant Program supports a variety of community development activities, including infrastructure and public services, rather than directly influencing mortgage underwriting policies.

2. What is the primary focus of relationship selling?

A. Product pricing

B. Building customer rapport

C. Ad placement strategies

D. Market analysis

The primary focus of relationship selling is on building customer rapport. This approach emphasizes developing a strong, trusting relationship between the salesperson and the customer, which can lead to greater customer loyalty and repeat business. In relationship selling, the salesperson seeks to understand the needs and preferences of the customer, providing personalized solutions and support. This practice fosters long-term connections rather than one-time transactions, allowing for a deeper understanding of the customer's needs over time. Successful relationship selling requires effective communication skills, empathy, and a commitment to addressing the customer's individual concerns. By prioritizing relationships, salespeople can adapt their strategies to meet ongoing customer requirements and create a more satisfying experience for the consumer. While other aspects such as product pricing, ad placement strategies, and market analysis play important roles in a successful sales strategy, they do not capture the essence of relationship selling, which is fundamentally about establishing and maintaining meaningful connections with customers.

3. What does Section 504 of the Rehabilitation Act of 1973 require?

- A. All housing to be free of charge
- B. Federally funded housing must be available for qualified individuals with disabilities**
- C. Housing must meet environmental standards
- D. All tenants must have equal legal representation

Section 504 of the Rehabilitation Act of 1973 is a critical piece of legislation that specifically mandates that federally funded programs and services, including housing, must be accessible to individuals with disabilities. This means that any housing program that receives federal funding must ensure that individuals with disabilities are not discriminated against and have equal opportunity to participate in and benefit from these housing programs. The requirement for federally funded housing to be accessible encompasses several aspects, such as physical accessibility standards and non-discrimination in terms of eligibility and access to housing resources for individuals with disabilities. This reflects a broader commitment to inclusion and equal access under the law, ensuring that individuals with disabilities can secure suitable living accommodations without facing barriers related to their condition. Understanding this requirement is essential for property managers and anyone involved in the housing industry, as it not only emphasizes the importance of inclusivity but also establishes a legal responsibility to comply with accessibility standards to support individuals with disabilities.

4. Which of the following represents the 5 P's of marketing?

- A. People, Process, Promotion, Place, Price
- B. Product, Price, Promotion, People, Placement**
- C. Planning, Product, Promotion, People, Profit
- D. Product, People, Process, Placement, Policy

The 5 P's of marketing are essential components that guide marketing strategies to successfully promote and sell products or services. The correct components of this framework are Product, Price, Promotion, Place, and People, which emphasize different aspects of the marketing mix. In this context, "Product" refers to what is being offered to meet consumer needs, "Price" indicates the value that a customer must pay, "Promotion" involves the methods used to communicate with the market about the product, "Place" (or distribution) describes where the product is sold and how it gets to the customer, and "People" represents the target audience or consumers who are engaged in the buying process. Each element plays a critical role in shaping a comprehensive marketing strategy, ensuring that all aspects work together effectively. The other options do not accurately reflect the standard 5 P's used in marketing, as they either mislabel components or include terms that do not fit into the traditional marketing framework. Thus, option B accurately encapsulates the widely recognized elements of the 5 P's of marketing.

5. What does the acronym EEOC stand for?

- A. Equal Employment Outreach Council**
- B. Equal Employment Opportunity Commission**
- C. Employee Equality Occupational Coalition**
- D. Equal Employment Operations Center**

The acronym EEOC stands for the Equal Employment Opportunity Commission. This federal agency was established to enforce laws prohibiting employment discrimination based on race, color, religion, sex, national origin, age, disability, and genetic information. It plays a critical role in ensuring fair treatment in the workplace and promoting equal opportunities for all individuals. Understanding the correct terminology and the role of the EEOC is crucial in property management and other business sectors because it directly relates to employment practices and helps ensure compliance with civil rights laws. Managers and administrators must recognize the significance of the EEOC in addressing workplace discrimination complaints and promoting equitable hiring practices.

6. Which disciplinary method allows employees to take responsibility for their own actions?

- A. Negative Reinforcement**
- B. Positive Discipline**
- C. Constructive Feedback**
- D. Progressive Discipline**

The method that encourages employees to take responsibility for their own actions is positive discipline. This approach emphasizes personal accountability and growth, fostering an environment where employees are encouraged to reflect on their behavior and its consequences. Positive discipline focuses on guiding employees to identify their mistakes and learn from them rather than punishing them for their actions. This method involves conversations that help the employee understand the impact of their behavior and work towards solutions, which ultimately empowers them to make better choices in the future. By promoting a collaborative resolution process, positive discipline enhances employee engagement and ownership, leading to improved performance and morale. In contrast, negative reinforcement typically involves the removal of undesirable factors as a response to a behavior, while constructive feedback focuses on providing specific suggestions for improvement without the same element of accountability. Progressive discipline follows a structured approach to address issues but may not emphasize personal responsibility in the same way that positive discipline does.

7. Which of the following best describes liabilities?

- A. Resources with future economic benefits**
- B. Funds set aside for future capital improvements**
- C. Debts that decrease property value**
- D. Income generated from property management**

Liabilities refer to obligations or debts that an organization owes to outsiders, which can include loans, accounts payable, and other financial commitments that need to be settled in the future. The correct choice identifies liabilities as debts that may impact the overall financial standing of a property or business. When these debts are substantial, they have the potential to decrease the property's value, as lenders or investors may take into account outstanding obligations when assessing worth. Understanding liabilities in this context is crucial for residential managers because they directly impact the financial health of the properties they manage. Effective management of these liabilities ensures that cash flow remains positive and that property value is maintained or improved. The other options focus on different financial concepts that do not specifically describe liabilities. Resources with future economic benefits indicate assets, not liabilities. Funds for future capital improvements relate to reserves or planning for expenditures, and income generated from property management pertains to revenue, which is separate from liabilities. Thus, recognizing that liabilities are primarily associated with debt helps in managing and reporting the financial position of a property effectively.

8. What does the term "Loss to Lease" refer to in property management?

- A. Income generated from late fees**
- B. Revenue lost due to below-market rents**
- C. Maintenance costs incurred over time**
- D. Vacancy rate losses**

The term "Loss to Lease" specifically refers to revenue that is lost because the rental income is below the market rate for similar properties in the area. This can occur when a property has units rented at prices that do not reflect the current market demand, often due to long-term lease agreements that were signed at lower rates or properties that have not been adjusted in pricing to match market trends. This concept is crucial in property management as it directly affects the property's income potential. Understanding "Loss to Lease" helps property managers make informed decisions on rent adjustments, identify underperforming assets, and strategize on renewing leases to increase overall revenue. Ensuring rents are aligned with market rates is essential to minimize this type of loss and maximize profitability for the property owners. The other options, while related to financial aspects of property management, do not define "Loss to Lease." Late fees pertain to penalties for overdue rent, maintenance costs relate to expenditures necessary to maintain the property, and vacancy rate losses involve revenue lost due to unoccupied units rather than those leased at lower-than-market rates.

9. Which financial document outlines estimated income and expenses for a property over a specific period?

- A. Income Statement**
- B. Budget**
- C. Cash Flow Projection**
- D. Financial Overview**

The budget is a comprehensive financial document that outlines the estimated income and expenses for a property over a specific period, typically a fiscal year. It serves as a plan for managing the financial resources of the property. By detailing projected revenues from sources such as rent and other fees, alongside anticipated expenses like maintenance, utilities, and staffing, the budget enables property managers to forecast financial performance and establish financial goals. In addition to serving as a financial plan, the budget also allows property managers to identify areas where costs can be controlled or where revenue can be maximized, helping in strategic decision-making throughout the year. It is a critical tool for tracking actual performance against projections, facilitating adjustments as necessary to keep the property financially healthy. While other financial documents, such as an income statement or cash flow projection, provide important insights, they typically serve different purposes. The income statement reflects actual revenues and expenses already realized, rather than estimates. Meanwhile, cash flow projections focus specifically on inflows and outflows of cash over a designated timeframe, rather than providing a complete overview of anticipated income and expenses like a budget does. Therefore, the budget is distinctly recognized for its role in planning for the future financial health of a property.

10. What is the process of collecting and reusing waste materials called?

- A. Recycling**
- B. Disposal**
- C. Composting**
- D. Incineration**

The process of collecting and reusing waste materials is known as recycling. Recycling involves transforming waste materials into new products, which helps conserve natural resources, reduce pollution, and minimize waste sent to landfills. This process typically includes collecting materials such as paper, glass, metal, and plastics, which are then sorted, cleaned, and processed to create new items. Engaging in recycling not only supports environmental sustainability but also promotes a circular economy where materials are kept in use for as long as possible. Disposal refers to the methods of discarding waste, which do not involve reusing materials. Composting is a process specifically focused on organic waste, converting it into nutrient-rich soil rather than repurposing the materials. Incineration is the burning of waste materials for energy recovery or destruction, but it does not facilitate the reuse of those materials. Given these definitions and purposes, recycling most accurately captures the essence of collecting and reusing waste materials.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://accredresidentialmngnrx.examzify.com>

We wish you the very best on your exam journey. You've got this!