

# Land/Residential Examination

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## Value

- Value in use
- Value in exchange
- Market value
- Nature of value
- Elements of supply and demand
- Concepts of cost, price, and value
- Economic Principles of Value
- Arm's length transaction

## Legal Concepts and Theory of Value

- The concept of property
- Property rights
- Property classification
- Appraisal principles
- Highest and Best Use
  - Tests
  - Analysis
  - Final Determination

## Assessments, Levies, Rates

- Taxable Values
  - Appraised Values
  - Assessed Values
- Effective Tax Rates
  - Formula
  - Calculating

## The Appraisal Process

- Defining the appraisal problem
- Data collection, market analysis and highest and best use analysis
- Neighborhood factors
- Property factors
- Using the three approaches to value

## Mathematics Review

- Decimals, ratios, percentages
- Mill rates
- Averages

### Land Valuation

- Identification of property
- Units of comparison
- Mapping systems
- Valuation methods
  - Sales comparison
  - Abstraction
  - Allocation
  - Land residual technique
- Valuation methods
  - Comparative unit method
  - Base lot method
- Land description system
  - Metes and bounds
  - Rectangular land surveys
  - Lot and block
- Appraisal principles
- Factors affecting land value

### Cost Approach

- Definition for Cost Approach
- Model for Cost Approach
- Steps in the Cost Approach
- Elements of cost
- Types of cost
  - Original
  - Reproduction
  - Replacement
- Characteristics influencing cost
- Methods of estimating cost
- Depreciation
  - Definition/Calculation of accrued depreciation

- Concept of estimating:
  - Total Economic Life
  - Effective Age
  - Remaining Economic Life
- Deferred Maintenance
- Obsolescence – Definition and Calculation
  - Functional
  - Economic

### Sales Comparison Approach

- Sales comparison model
- Selecting comparable sales
- Units of comparison
- Developing the value of units of adjustment
- Paired Sales Analysis
- Adjusting sale prices to the subject property
- Reconciling Market Value

### Ratios and Statistics

- Measuring level of assessment
- Measures of assessment uniformity
- Calculations
  - Mean, Median, Mode
  - COD (Coefficient of Dispersion)
  - PRD (Price Related Differential)
  - COV (Coefficient of Variation)
- Sales Ratio Studies
  - IAAO Standards