



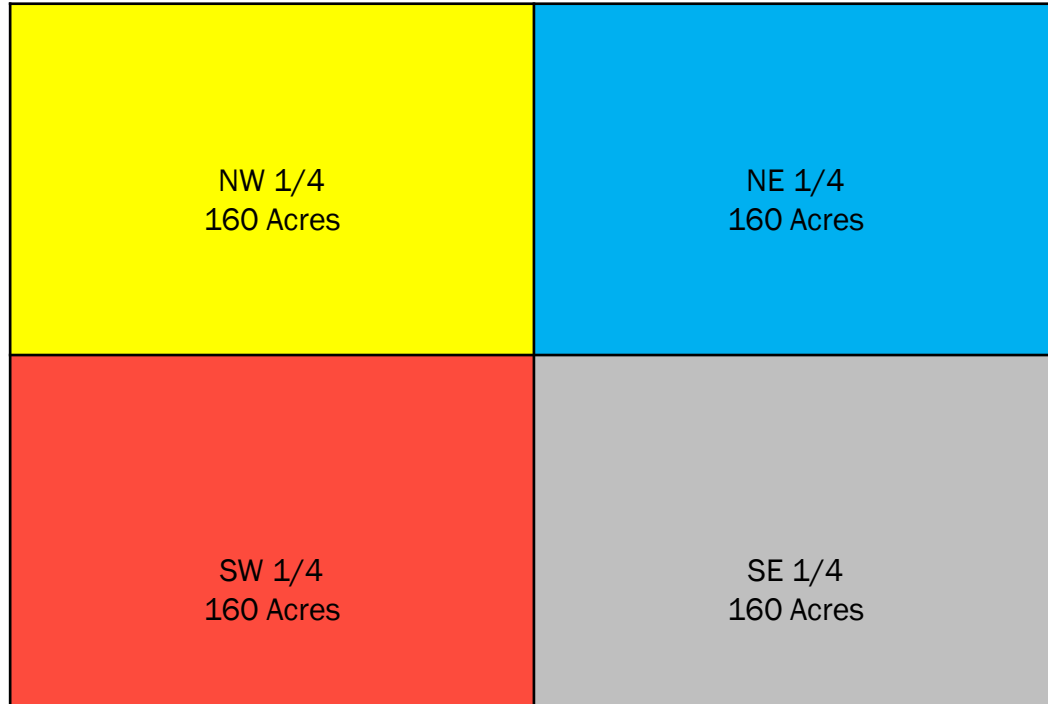
Department of Local Government Finance

Cost Approach Problems and Answers # 2

2023 Level I Tutorials

Level I - Cost Approach
Practice Problem # 4
Combination Legal Description and Depth Chart Calculations

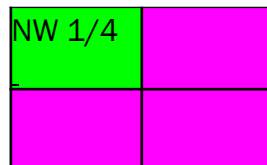
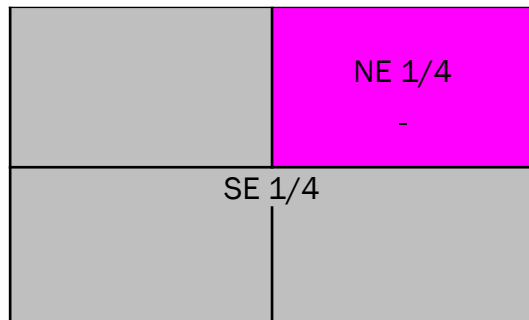
Section 10



NW1/4 NE1/4 SE1/4 OF SECTION 10

READ DESCRIPTION FROM RIGHT TO LEFT
ALL 4 QUARTERS EQUALS 640 ACRES

- 1.) HOW MANY ACRES IN THE ABOVE DESCRIPTION?
- 2.) HOW MANY SQ. FT. IN THE ABOVE DESCRIPTION?

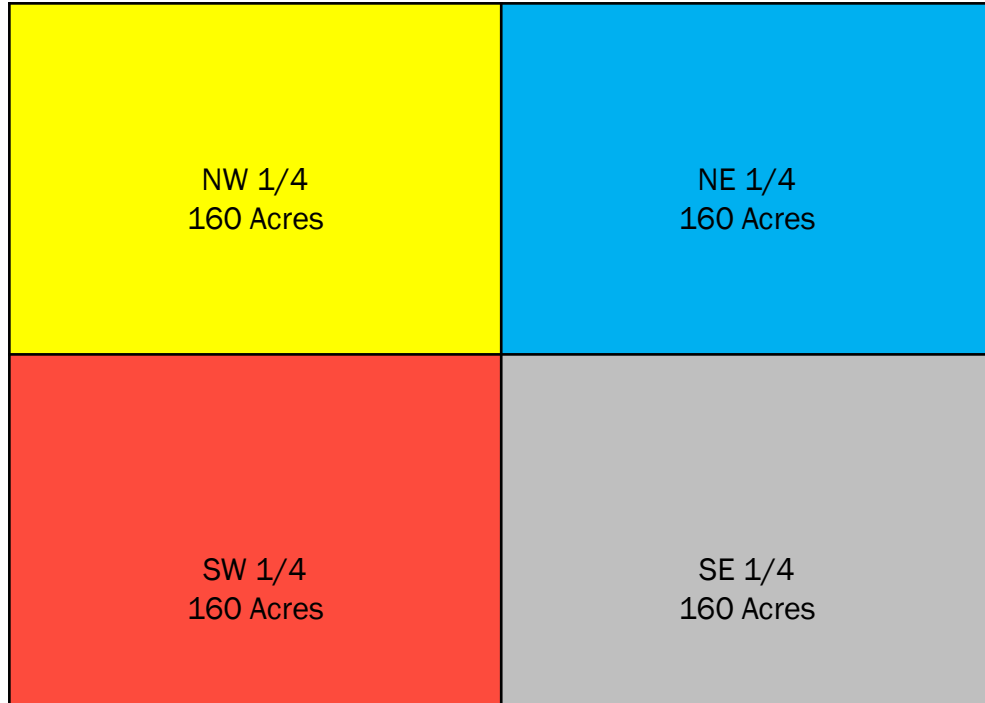


NW 1/4 NE 1/4 SE 1/4



Level I - Cost Approach
 Practice Problem # 4 Answer
 Combination Legal Description and Depth Chart Calculations

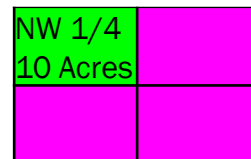
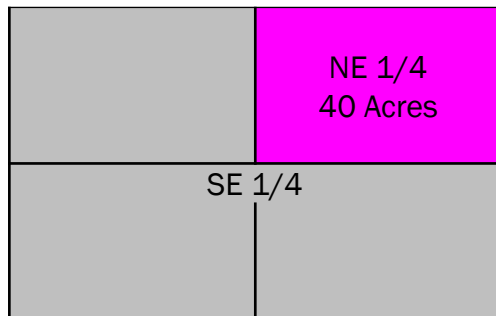
Section 10



NW1/4 NE1/4 SE1/4 OF SECTION 10
 READ DESCRIPTION FROM RIGHT TO LEFT

ALL 4 QUARTERS EQUALS 640 ACRES

- 1.) HOW MANY ACRES IN THE ABOVE DESCRIPTION?
- 2.) HOW MANY SQ. FT. IN THE ABOVE DESCRIPTION?



NW 1/4 NE 1/4 SE 1/4

- 1.) 10 Acres
- 2.) 435,600 Square Feet



For depth table calculations

Chapter 2

- First Determine what the standard depth is.
- Second Find that table
- Third Find the factor in that table that relates to the depth of the lot you are pricing
- Fourth Take that factor and multiply it times the front foot price that is given to you
- Fifth This gives you the adjusted rate
- Sixth Take this times the front foot of the lot you are pricing
- Seventh This gives you the price of the lot

Example:

Standard lot size is 125 X 132
Lot we are pricing is 125 X 150
Front foot price is \$150
Adjusted front foot price is _____
Lot value is _____



For depth table calculations

Chapter 2

First	Determine what the standard depth is.	132'
Second	Find that table	
	Find the factor in that table that relates to the depth of the lot you are pricing	
Third		1.06
	Take that factor and multiply it times the front foot price that is given to you	
Fourth		1.06 times \$150
Fifth	This gives you the adjusted rate	\$159
Sixth	Take this times the front foot of the lot you are pricing	\$159 Times 125
Seventh	This gives you the price of the lot	\$19,875

Example:

Standard lot size is 125 X 132

Lot we are pricing is 125 X 150

Front foot price is \$150

Adjusted front foot price is

\$159

Lot value is

\$19,875

Round to nearest \$100

\$19,900

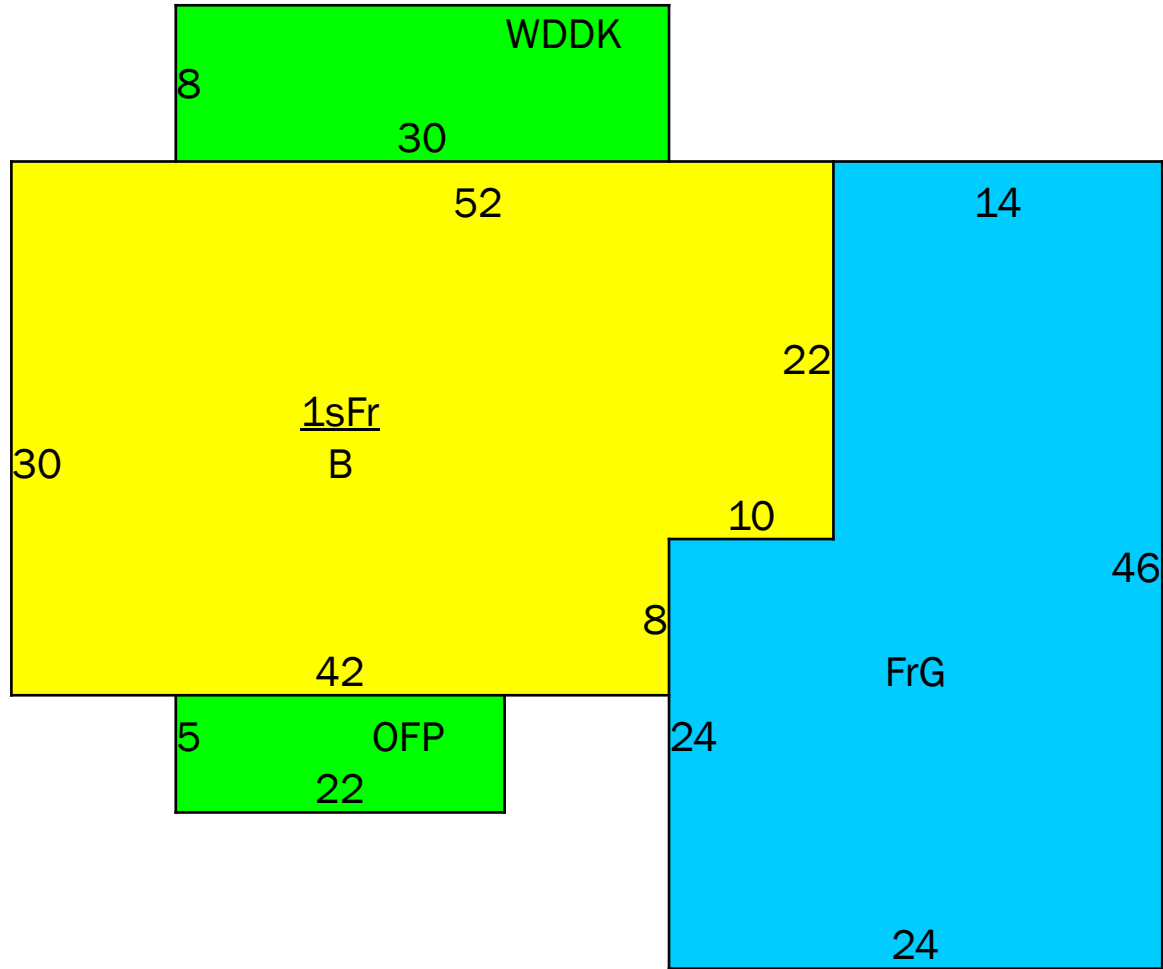




Cost Approach

- At this time, please go back to the Cost Approach PowerPoint and resume on slide #75.

Cost Approach
 Practice Problem # 6 House # 1
 Additional Square Foot Calculation Problems



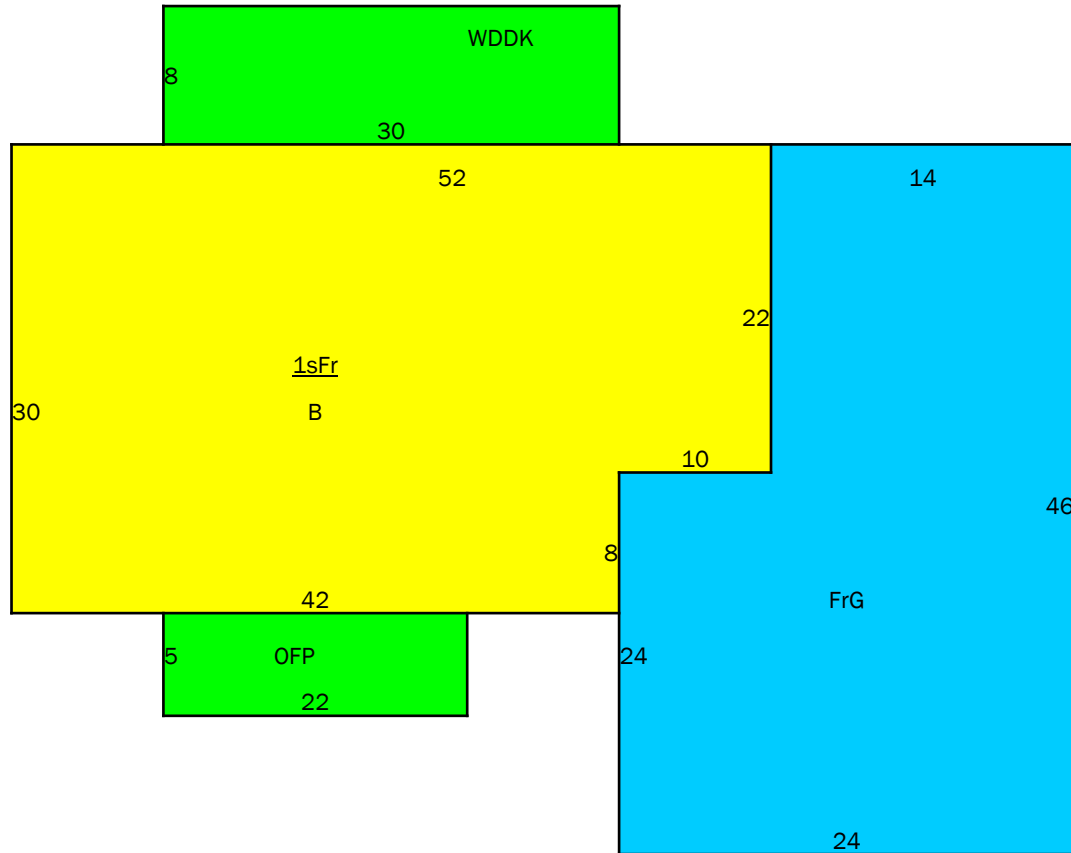
	Sq. Feet	Value
1sFr		
B		
FrG		
OFP		
Wddk		
	-	
	-	
TOTAL		\$0



Cost Approach

Practice Problem # 6 House # 1 Answer

Additional Square Foot Calculation Problems

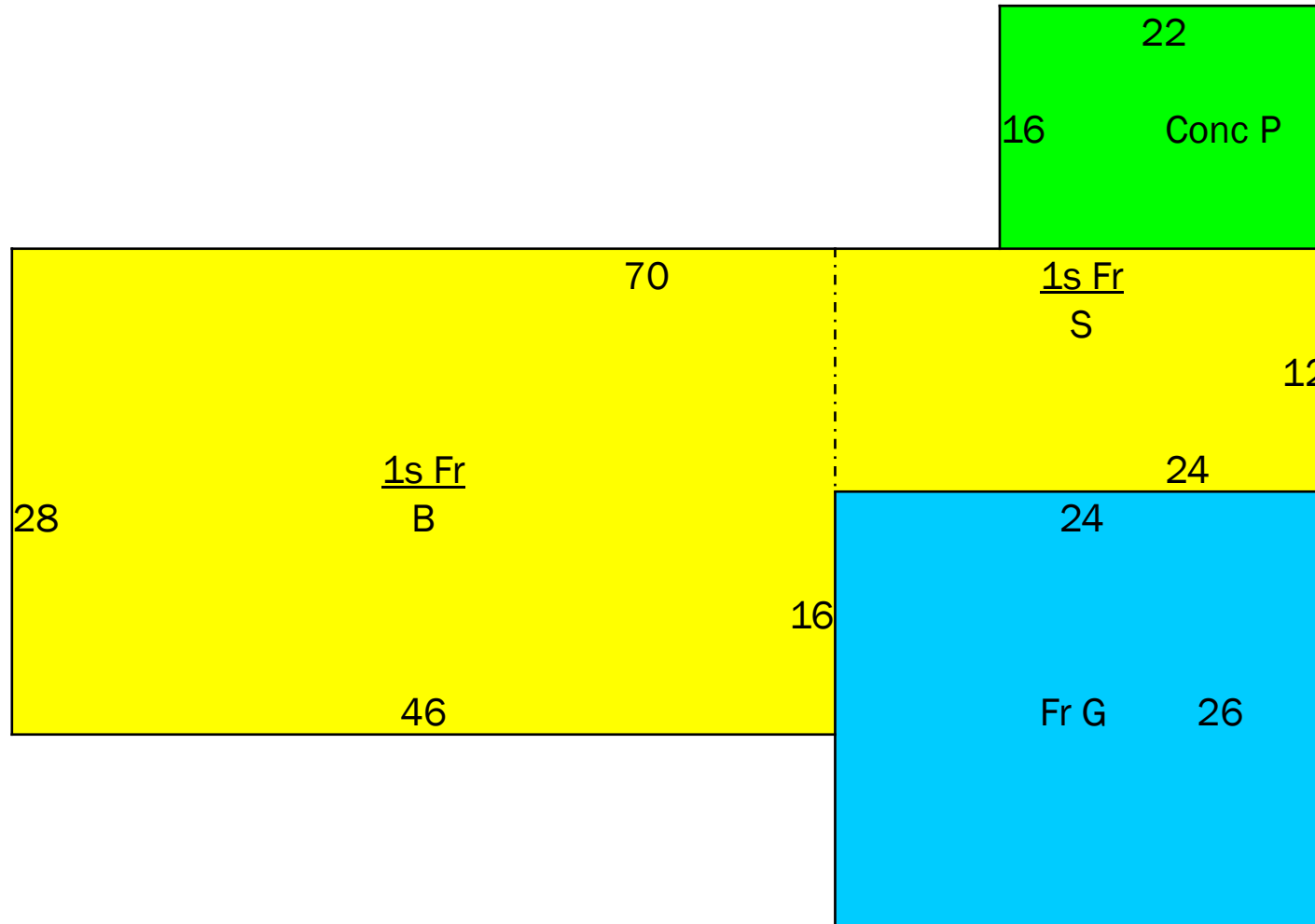


	Sq. Feet	Value
1sFr	1,480	\$100,900
B	1,480	\$33,900
FrG	884	\$25,000
OFP	110	\$4,900
Wddk	240	\$4,200
TOTAL		\$168,900

30 X 42 = 1,260 + 10 X 22 = 220 for total first story of	1480
same for basement	1480
24 X 24 = 576	
14 X 22 = 308 for a total square footage of	884
5 X 22 = 110 for a total square footage of	110
8 X 30 = 240 for a total square footage of	240



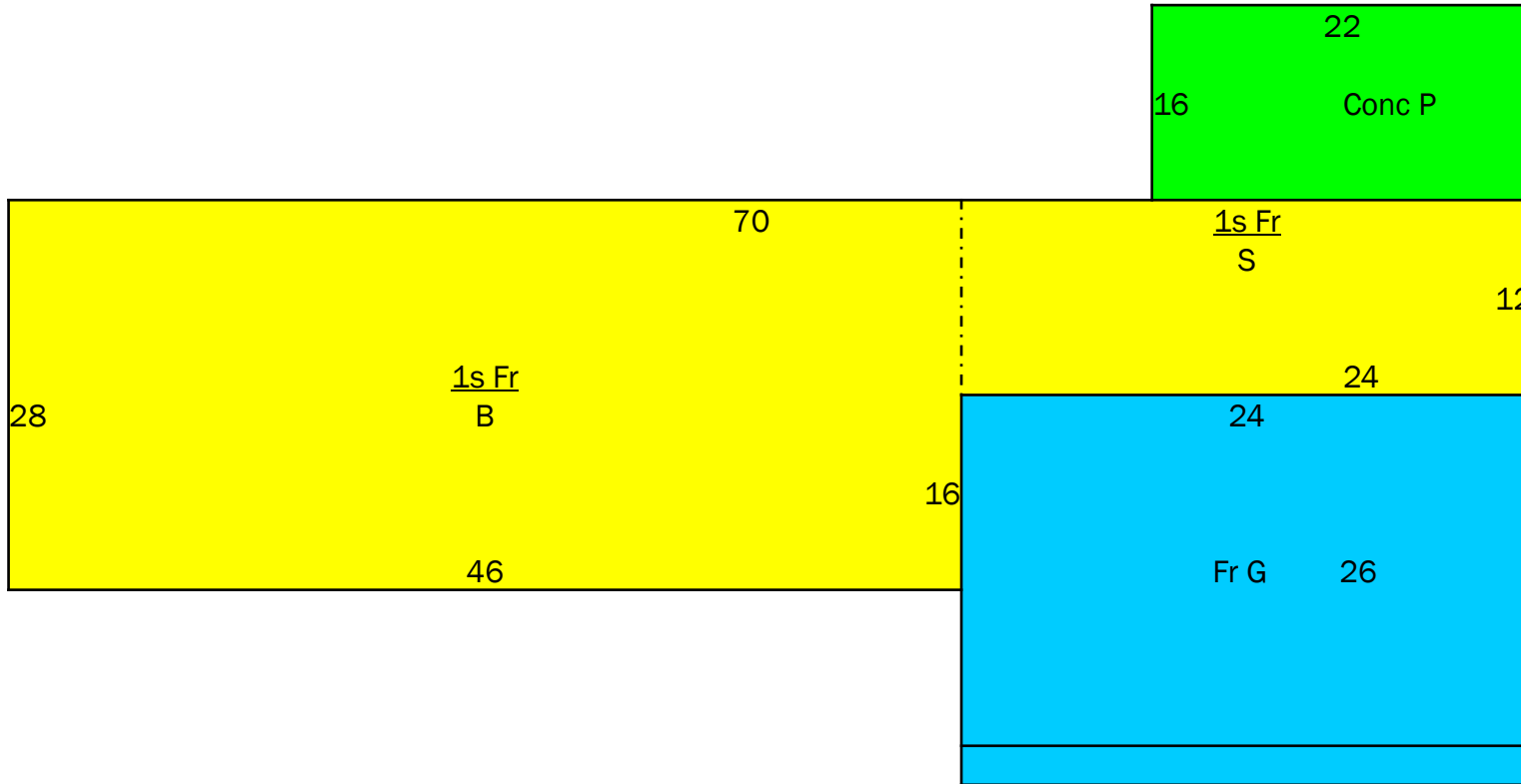
Cost Approach
 Practice Problem # 6 House # 2
 Additional Square Foot Calculation Problems



	Sq. Feet	Value
1sFr		
B		
FrG		
Conc P		
TOTAL		\$0



Cost Approach
 Practice Problem # 6 House # 2 Answer
 Additional Square Foot Calculation Problems

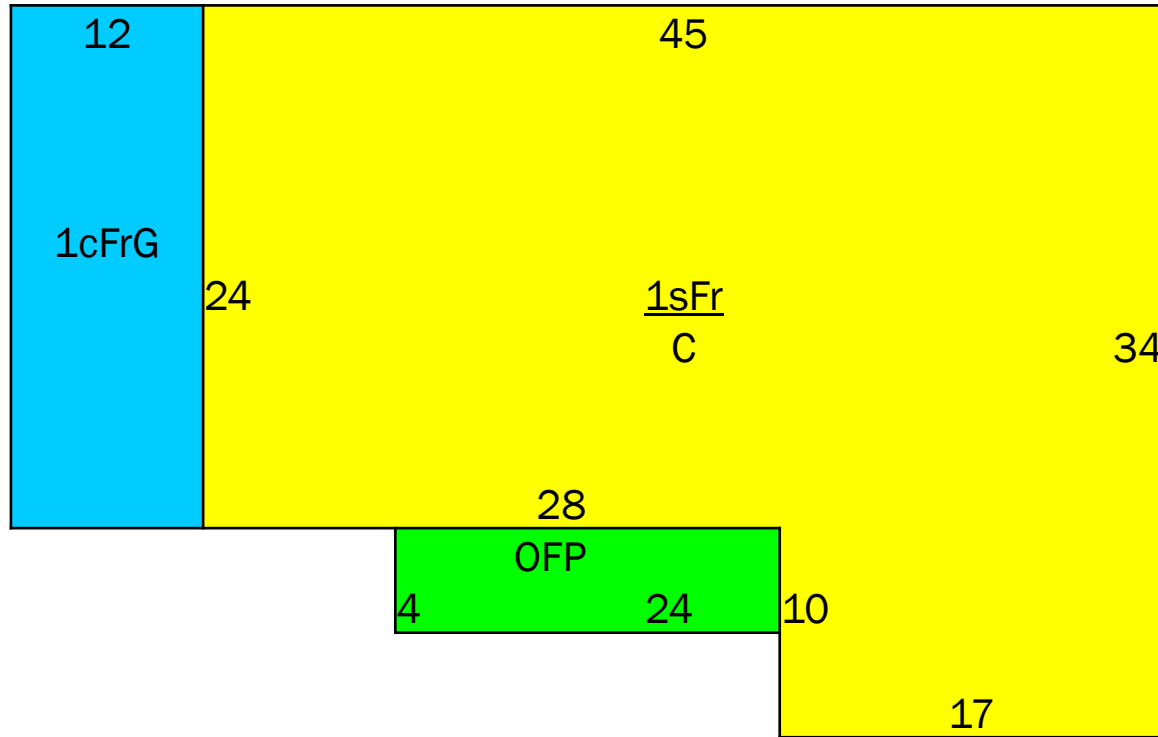


	Sq. Feet	Value
1sFr	1,576	\$105,100
B	1,288	\$31,500
FrG	624	\$18,600
Conc P	352	\$1,900
TOTAL		\$157,100

46 X 28 = 1,288 +
 24 X 12 = 288 for a total square footage of 1,576
 46 X 28 = 1,288 (For the Basement)
 24 X 26 = 624
 16 X 22 = 352



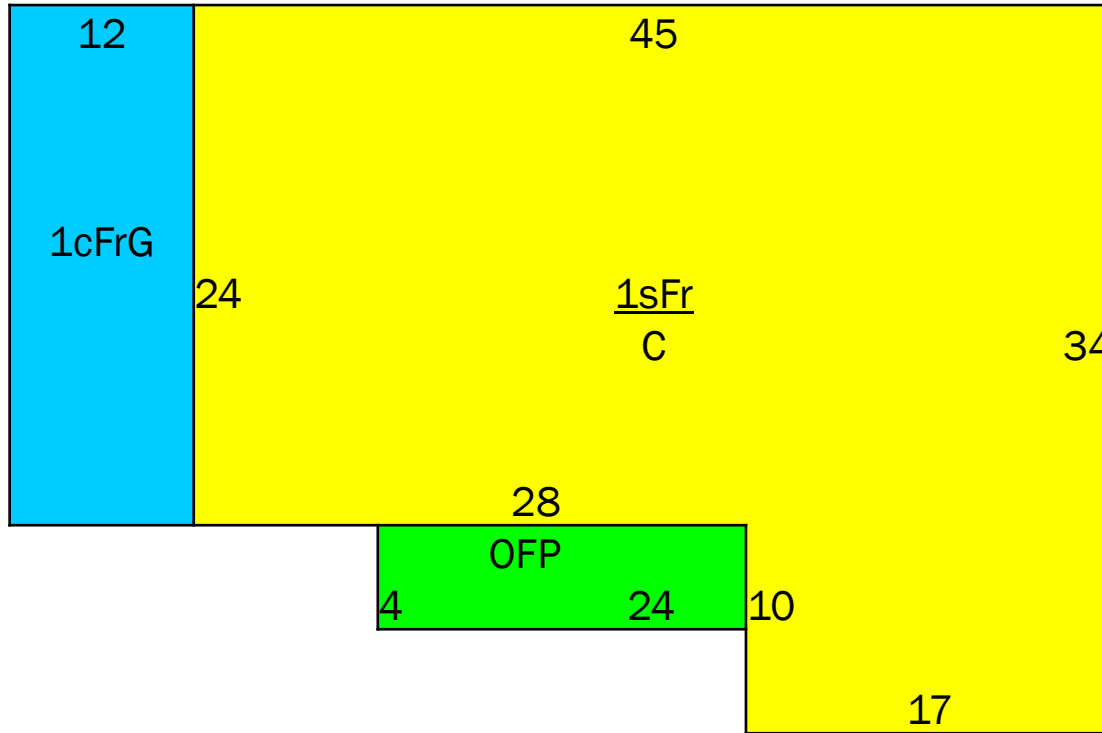
Cost Approach
Practice Problem # 6 House # 3
Additional Square Foot Calculation Problems



	Sq. Feet	Value
1sFr		
C		
1cFrG		
OFP		
TOTAL		\$0



Cost Approach
Practice Problem # 6 House # 3 Answer
Additional Square Foot Calculation Problems



	Sq. Feet	Value
1sFr	1,250	\$92,100
C	1,250	\$6,600
1cFrG	288	\$11,500
OFP	96	\$4,900
TOTAL		\$115,100

45 X 24 = 1080 Square Feet +
 10 X 17 = 170 Square Feet = 1,250 1sFr & C same
 12 X 24 = 288 Square Feet
 4 X 24 = 96 Square Feet

