

**Sales Comparison Approach**  
**Class Problem # 2**  
**ADJUSTING COMPARABLE SALES**

You are reviewing an appeal of a three bedroom, two bath ranch style house that has 2,420 square feet. This subject house has a full basement and an attached two car garage. You have located 5 recent comparable sales in the same neighborhood.

- Sale # 1: This is a four bedroom, three bath ranch style home containing 2,600 square feet of living area. It has a full basement and an attached three car garage. Sale price is \$275,000.
- Sale # 2: This is a three bedroom, two bath ranch style home that has 2,400 square feet of living space. It is on a crawl space and has a one car attached garage. Sale price is \$230,000.
- Sale # 3: This is a three bedroom, two and one half bath residence containing 2,400 square feet of living area. It has a full basement and a three car attached garage. Sale price is \$245,000.
- Sale # 4: This is a three bedroom, two and one half bath home located on a crawl space. It contains 2,600 square feet of living area and has a two car attached garage. Sale price is \$245,000
- Sale # 5: This is a four bedroom, two bath home with 2,500 square feet of living space. It has a full basement and a three car attached garage. Sale price is \$262,250.

You have determined that the following elements of comparison are influential on value: Bedrooms, bathrooms (both full and half), garage bays, and basement. You have conducted a paired sales analysis and determined the contributory value of these elements as follows:

|             |      |         |      |          |
|-------------|------|---------|------|----------|
| Bedrooms:   |      |         |      | \$8,000  |
| Bathrooms:  | Full | \$3,000 | Half | \$1,000  |
| Garage bay: |      |         |      | \$4,000  |
| Basement:   |      |         |      | \$15,000 |

Using the grid, determine the estimation of value for the subject property.

[illegible]

**Sales Comparison Approach**  
**Class Problem # 2 Answer**  
**ADJUSTING COMPARABLE SALES**

|                 | SUBJECT | SALE # 1 |            | SALE # 2 |           | SALE # 3 |           | SALE # 4 |           | SALE # 5 |            |
|-----------------|---------|----------|------------|----------|-----------|----------|-----------|----------|-----------|----------|------------|
| SALE PRICE      |         |          | \$275,000  |          | \$230,000 |          | \$245,000 |          | \$245,000 |          | \$262,250  |
| BEDROOMS        | 3       | 4        | (\$8,000)  | 3        |           | 3        |           | 3        |           | 4        | (\$8,000)  |
| BATHROOMS       | 2       | 3        | (\$3,000)  | 2        |           | 2 1/2    | (\$1,000) | 2 1/2    | (\$1,000) | 2        |            |
| GARAGE          | 2 CAR   | 3 CAR    | (\$4,000)  | 1 CAR    | \$4,000   | 3 CAR    | (\$4,000) | 2 CAR    |           | 3 CAR    | (\$4,000)  |
| FOUNDATION      | BSMNT   | BSMNT    |            | CRAWL    | \$15,000  | BSMNT    |           | CRAWL    | \$15,000  | BSMNT    |            |
| NET ADJ.        |         |          | (\$15,000) |          | \$19,000  |          | (\$5,000) |          | \$14,000  |          | (\$12,000) |
| ADJ SALES PRICE |         |          | \$260,000  |          | \$249,000 |          | \$240,000 |          | \$259,000 |          | \$250,250  |
| SQ FEET         | 2,420   | 2,600    |            | 2,400    |           | 2,400    |           | 2,600    |           | 2,500    |            |
| SALE PRICE/SF   |         |          | \$100.00   |          | \$103.75  |          | \$100.00  |          | \$99.62   |          | \$100.10   |

IT APPEARS THE SQUARE FOOT VALUE OF THE COMPS WOULD BE \$100.00/SQUARE FOOT.

THEREFORE, 2,420 SQUARE FEET TIMES \$100.00/SQUARE FEET EQUALS (Subject estimated Value)

**\$242,000**

\$ 99.62

\$ 100.00

**\$ 100.00**

\$ 100.10

\$ 103.75