

COMMON WORK SAMPLE DEFICIENCIES:

1. Inadequate recognition of significant professional assistance provided in the preparation of the appraisal report.
2. Inappropriate use and/or abuse of boilerplate commentary (often in the neighborhood description and reconciliation section of the Sales Comparison Approach).
3. Failure to properly understand the basic economic principles of supply and demand effecting real property values.
4. Failure to recognize, analyze, and report changing market trends and to report those trends in a manner that is consistent throughout the appraisal.
5. “Backing into” the predominant price and age of the neighborhood to “fit” the subject property.
6. Inadequate zoning description and analysis related to highest and best use of the subject property (particularly for 2-4 unit properties).
7. Inadequate description of the subject property’s amenities and condition (particularly remodeling and/or deferred maintenance).
8. Failure to disclose and analyze additions, studios, secondary units and garage conversions. Failure to verify whether additions and conversions were completed with the appropriate permits and if they conform to the zoning. Inappropriate assumptions that additions and conversions were completed with permits due to the inclusion of the additional square footage in data sources (assessor/county records).
9. Insufficient justification supporting the subject property’s estimated effective age, particularly when it is substantially less than the chronological age.
10. Replacement cost figures that are not supported by the stated data source.
11. Failure to use an appropriate method to estimate depreciation in the Cost Approach.
12. Failure to appropriately adjust for functional obsolescence in the Cost Approach when the depreciated value of the subject property improvements is not fully recognized by the market.
13. Failure to adjust for external obsolescence, and to appropriately allocate this loss in value between the land and improvements.

14. Rote per square foot adjustments for differences in site area without discussion or consideration of the site utility or land values in the area.
15. Insufficient reasoning and support for adjustments applied in the Sales Comparison Approach (particularly when the adjustments are made across-the-board).
16. Insufficient analysis and support for the Gross Rent Multiplier in the Income Approach.
17. Inadequate commentary on actual versus economic rents of the comparable sale properties.
18. Inadequate analysis of the subject property's prior sale(s).
19. Inadequate analysis of a current sales agreement for the subject property (or alternatively, disclosure of the steps taken to obtain a copy of the sales agreement).
20. Inadequate reconciliation of the quality and quantity of data available and analyzed within the approaches to value used, as well as, the applicability or suitability of the approaches used.