

REAA Appraising Small Acreage Residential Properties Class Outline

This is a two hour continuing education class. Purpose of the class is to discuss the differences between appraising homes in subdivisions on typical density lots versus appraising homes on acreage.

1. What is a small acreage residential property?
 - a. Urban/Suburban/Rural definitions and discussion
 - b. USPAP Considerations
 - i. Highest and Best Use
 1. Is it a residential property or agricultural property with a house?
 2. 2-4 units or single family residence with accessory dwelling
 - c. Competency
 - i. How to develop competency
 - ii. Know when to say no
 - d. Scarcity of Data
2. Business Considerations
 - a. Takes more time so plan to charge more
 - b. Consider your hourly goal
3. Small Acreage Residential Lots
 - a. Topography, utility, and views
 - b. Soils
 - c. Plantings
4. Small Acreage Residential Property Characteristics
 - a. Outbuildings
 - b. Water and septic systems
5. Market Analysis
 - a. What is the subject's competitive market area? Expand the search to include wider area and further back in time compared to typical city appraisal
 - b. Market areas for small acreage markets vs. market areas in cities and towns
 - c. Market area trends for small acreage
6. Valuation Tips
 - a. Bracket
 - b. Don't be afraid of large adjustments
 - c. Qualitative analysis
 - d. Value entire lot
 - e. Verifications are invaluable
 - f. Higher uncertainty than typical
7. Special Cases
 - a. Marijuana
8. Examples