

Massachusetts Association of Assessing Officers
Residential Massachusetts Assessor or Certified Massachusetts Assessor
Appraisal Report Grading Sheet

Date _____

Name of Candidate _____

Type of Submission Residential Report Commercial Report

Reviewed By _____

The appraisal report is intended to demonstrate the candidate's knowledge of current appraisal development and reporting techniques and should demonstrate the candidates understanding of current acceptable methods of analysis. The following grading sheet should provide guidance as to the acceptable content of the report. The inclusion of additional material may be required depending on the type of property being appraised.

	Acceptable	Not Acceptable	Maximum Points	Points Awarded
<u>Title Page</u>				
Identified as Appraisal Report				
Type of Report				
Address of Property				
Type of Property				
Date of Valuation				
Name of Client				
Name and Address of Appraiser			1	
Grader Comments:				

<u>Letter of Transmittal</u>				
Date of Letter				
Identification of Property				
Property Rights Appraised				
Purpose of Appraisal				
Type of Value				
Effective Date of Value				
Final Estimate of Value				
Signature of Appraiser			1	
Grader Comments:				
<u>Table of Contents</u>				
All Section Headings and Page Citations				
Section Headings Need to be the Same in the Report				
Section Headings in Proper Order			1	
Grader Comments:				
<u>Summary of Important Facts and Conclusions</u>				
Property Address				
Owner of Record				
Date of Value Estimate				
Interest Appraised				
Land Area				
Improvements				
Assessment Information and Real Estate Taxes				
Zoning				

Highest and Best Use				
Estimate of Value by Cost Approach				
Estimate of Value by Income Approach				
Estimate of Value by Sales Comparison Approach				
Final Estimate of Value			1	
Name of Appraiser				
Grader Comments:				
<u>Photographs of Subject Property</u>				
Color				
Exterior Photographs Properly Labeled				
Interior Photographs If Applicable and Properly Labeled			1	
Grader Comments:				
<u>Purpose of the Appraisal</u>				
<u>Property Rights Appraised</u>				
<u>Date of Valuation</u>				
<u>Date of Report</u>				
<u>Intended Use of the Appraisal</u>				
<u>Intended User (s) of the Appraisal</u>			1	
Grader Comments:				
<u>Scope of Appraisal</u>				
Detailed Overview of Work Performed				
Date of Inspection and With Whom				
Sources of Data				

Research Completed				
Interviews Conducted			1	
Grader Comments:				
<u>Consideration of Hazardous Substances</u>			1	
Grader Comments:				
<u>Market Value Definition and Source</u>			1	
Grader Comments:				
<u>Identification and Description of Subject Property</u>				
Property Address				
Legal Description:				
Grantor, Grantee, Date of Sale, Sale Price, Title Reference				
Sales History for Last Three Years				
Property Currently Listed for Sale				
Grader Comments:				
<u>Municipal Profile and Market Area Analysis</u>				
City/Town				
Surrounding Communities				
Distance to Major Cities				
Regional Resources				
Highways/Major Roadways				

Town Size				
Population Data and Trends				
Municipal Services and Utilities Available				
Public Transportation				
Educational, Cultural and Recreational Resources				
Government				
Definition of Market Area				
Employment/Economic Conditions				
Residential Housing Market				
Commercial/Industrial Market Analysis				
Retail Market Analysis				
Strengths and Weaknesses of Market				
Vacancy Information				
Rental Information				
Supply and Demand Factors				
Listing Activity				
Absorption Levels				
Sources of Data Considered				
Conclusion on How the Information Affects the Value of the Subject Property			5	
Grader Comments:				
<u>Neighborhood Analysis</u>				
Neighborhood Boundaries and Neighborhood Description				
Predominant Type of Existing Land Use				
Extent to Which Neighborhood is Built-Up				
Emerging Trends or Changes in Use				
Accessibility to Services and Transportation				
Occupancy and Vacancy Rates				
Financing Availability and Terms				

Financing and Sales Concessions				
Price Range and Age of Properties				
Rental Range				
Sales and Listing Activity				
Current Life Cycle of Neighborhood				
Description of Nuisances and Hazards				
Analysis of the Data and Conclusions			5	
Grader Comments:				
<u>Site Improvements and Analysis</u>				
Dimensions, Shape and Size of Site				
Topography				
Public Utilities Available to Site				
Septic and Well Comments				
Easements				
Soil and Sub-Soil Information				
Flood Zone Information				
Description of Ingress and Egress				
Availability of Parking				
Restrictions				
Zoning District				
Locational Obsolescence if Relevant				
Is Site Adequate for its Intended Use				
Analysis of the Data and Conclusions			5	
Grader Comments:				

<u>Improvements Description and Analysis</u>				
Description of Property				
Number of Stories				
Architectural Building Plans or Sketch				
Building Area				
Exterior Materials and Condition				
Interior Materials and Condition				
Quality of Construction				
Heating and Cooling System				
Electrical Service				
Other Mechanical Systems				
Explain and Support Actual Age, Effective Age and Remaining Economic Life				
Physical Depreciation				
Functional Obsolescence				
Any Deficiencies or Superadequacies				
External/Economic Obsolescence				
Relationship of Net Floor Area to Gross Floor Area				
Recent Improvements and Cost or Any Improvements in Process or Proposed				
Special Permits or Variances			5	
Conclusion				
Grader Comments:				
<u>Zoning Information</u>				
Zoning District				
Permitted Uses				
Uses Allowed by Special Permit				
Dimensional Requirements				
Floor Area Ratio				

Parking Requirements				
Does Property Conform to Zoning			2	
Grader Comments:				
<u>Tax and Assessment Information</u>				
Assessed Value				
Tax Rate				
Tax Year				
Total Taxes				
Community Preservation Charge				
Any Special Assessments				
Three Year Assessment History				
Comparison of Subject Property Assessment with Comparable Properties				
Relationship Between Assessed Value and Market Value			2	
Grader Comments:				
<u>Highest and Best Use</u>				
Definition and Source				
Considerations: Legally Permitted, Physically Possible, Financially Feasible and Maximally Productive				
Analysis of Site As If Vacant				
Analysis As Improved				
Is Use Consistent with Purpose of Appraisal				
Conclusion			5	
Grader Comments:				

<u>Reasonable Marketing Period</u>				
Grader Comments:			1	
<u>Appraisal Methodology</u>				
Explain the Three Approaches to Value				
Valuation Methods Used and Relevance				
Support the Exclusion of Any Approach			1	
Grader Comments:				
<u>Cost Approach to Value</u>				
Define the Cost Approach				
Explain the Steps Involved				
Sales Data Sheets on Land Sales With Photograph, Sale Price, Date of Sale, Terms of Sale. Grantor and Grantee, Book and Page Reference, Sales Verification Information and Description of Sale				
Site Valuation by Sales Comparison Approach				
Alternative Method of Allocation, Extraction or Land Residual				
Explain Rationale and Reasoning				
Summary and Site Value Conclusion				
Develop Reproduction/Replacement Cost New				
Include Sources of Data, Hard and Soft Costs, Overhead and Profit				
Define the Three Types of Depreciation				
Physical Depreciation Must Be Present in Your Subject Property				
Functional Obsolescence or Economic Obsolescence Must Be Present in Your Subject Property				
Discuss the Different Methods Available to Estimate Depreciation				

Explain and Support the Method Used				
Summary and RCNLD Conclusion				
Value Opinion by Cost Approach			16	
Grader Comments:				
<u>Sales Comparison Approach to Value</u>				
Define the Sales Comparison Approach				
Explain the Steps Involved				
How Does This Approach Relate to the Subject Property				
Adequate Description of All Comparable Sales Used				
Use Sales Data Sheets With Photograph of Comparable Sale, Sale Price, Date of Sale, Terms of Sale. Grantor and Grantee, Book and Page Reference, Sales Verification Information, Sales History and Description of Sale				
Adjustment Grid				
Explain and Justify the Adjustments				
Support and Justify the Adjustments With Paired Sales Analysis and Other Acceptable Methods				
Unit of Comparison Used and Reason				
Summary and Conclusion				
Value Opinion by Sales Comparison Approach			16	
Grader Comments:				
<u>Gross Rent Multiplier for Single Family Property or Income Capitalization Approach for Commercial Property</u>				
Define the Approach				
Explain the Steps Involved				

How Does This Approach Relate to the Subject Property				
Fee Simple Value or Leased Fee Value				
Direct Capitalization Approach or Discounted Cash Flow Analysis				
Tenant List, Occupied Space and Terms				
Discussion of Subject Rent (s)				
Rental Survey and Income Projections				
Adequate Description of All Rental Comparables Used				
Rental Data Analysis				
Comparable Rental Chart				
Develop Potential Gross Income for Subject Property				
Analyze Similar Properties in the Market and Their Vacancy Rate				
Develop a Vacancy Rate for the Subject Property				
Current and Historical Expenses (Previous Two Years) of Subject Property				
Comparison of Subject Expenses to Competitive Properties				
Support and Explain the Development of the GRM				
Or Support and Explain the Development of the Capitalization Rate				
Develop the Capitalization Rate by the Band of Investment Method and/or				
Market-Extracted Method, Mortgage-Equity Method, Debt Coverage Method				
Multiply the Subject Rent Times the GRM or Capitalize the Net Operating Income				
Summary and Conclusion				
Value Opinion by GRM or Income Capitalization Approach			16	
Grader Comments:				
<u>Reconciliation Analysis and Final Value Conclusion</u>				
Explain What Reconciliation Is				
Discuss the Strength and Weakness of Each Approach				
and the Relevance of Each Approach				
As It Relates to the Subject Property in This Appraisal Assignment				
Explain Which Approach Was Given the Most Weight				

Explain the Omission of Any Approach				
Is Final Estimate of Value a Reasonable Conclusion			5	
Grader Comments:				
<u>Assumptions and Limiting Conditions</u>			1	
<u>Certification</u>			1	
Grader Comments:				
<u>Exhibits</u>				
These May be Included in the Body of the Report or an Addendum:				
City or Town Map				
Subject Property Deed				
Site Plan				
Current Fiscal Year Real Estate Tax Bill				
Zoning Map				
Flood Map				
Other Relevant Maps				
Building Plans or Sketch				
Property Record Card				
Assessors Map				
Relevant Portions of the Lease Agreements				
Reports if Relevant from Mass Benchmarks, Korpacz, Keypoint, Jones Lang Lasalle ...				
Relevant Sales Information: Deed, Site Plan, Property Record Card				
Definitions				
Other Items As Necessary for the Assignment				
Qualifications of Assessor/Appraiser			2	

Grader Comments:				
<u>Overall Rating of Report</u>				
Appearance and Presentation				
Grammatical Issues				
Typographical Issues				
Accuracy of Information				
Consistency of Information				
Is There Adequate Market Analysis				
Is Highest and Best Use Opinion Sufficiently Supported				
Are the Three Value Opinions Sufficiently Supported				
Does the Report Meet USPAP Standards				
Are the Discussions, Assumptions, Adjustments and Analyses Sufficiently Detailed and Reasonable				
Is the Level of Detail, Explanation and Support Adequate Throughout the Report			1	
Grader Comments:				

Total Available Points 100

FINAL GRADE _____

1. A minimum of 75 points is required for a passing grade with at least 40 cumulative total points awarded in the three sections on valuation – the Cost Approach, the Sales Comparison Approach and the GRM/Income Approach.
2. A candidate is cautioned that if the report receives a failing grade and is resubmitted that a subsequent grader will not be restricted by the grade or comments of the initial grader.
3. Omission of any relevant item will result in the deduction of points.