

FINAL EXAM (VA) Fina 210 Section CX (SUMMER 2011)
THIS EXAM MUST BE RETURNED INTACT (Do not remove staple)

Read Instructions carefully

Question #48

The asking price of a property is \$700,000 and you are given the following information for a sales comparable evaluation.

- Property prices increases at 2.60% per annum (inflation rate)
- \$56 per square foot
- \$22,000 per year reduction for age
- Two-car garage valued at \$42,000 compared to \$25,000 for a one-car garage
- Corner property warrants a 15% premium
- Swimming pool worth \$30,000 considered a good selling point in this neighborhood

	Comparable	Subject Property
Selling Price	\$650,000	See above
Sold	5 months ago	See above
Location	middle	corner
Size (square feet)	15,000	16,200
Age (years)	9	12
Garage	one-car	two-car
Swimming pool	yes	no

What is the estimated value of the subject property using the sales comparable approach?

- a. \$793,283
- b. \$621,342
- c. \$742,742
- d. \$571,342