

Circle *True* or *False* as the better answer.

1. As a general term, *value* means the worth, usefulness, or utility of an object.
True False
2. An appraisal is simply a statement of value.
True False
3. Informal appraisals are performed by most people in real estate.
True False
4. Formal appraisals rely on supporting data, but no judgment or intuition is needed.
True False
5. Appraisals are needed to provide unbiased opinions of value that can be reviewed.
True False
6. Market transactions requiring appraisals include only those involved in the purchase and sale of real estate.
True False
7. Areas of public control requiring appraisals include eminent domain and taxation.
True False
8. USPAP imposes both ethical obligations and minimum appraisal standards.
True False
9. A court order can require an appraiser to reveal the results of an appraisal made in confidence.
True False
10. State and federal laws generally require a license or certificate to perform certain federally related appraisals.
True False

Multiple Choice Questions. Indicate the best answer.

1. An appraisal can best be described as
 - a. A statement of value
 - b. A fixing of value
 - c. An opinion of value
 - d. None of the above
2. The value of an object means its
 - a. Fixed amount
 - b. Worth, utility or usefulness to someone for some purpose
 - c. Highest asking price
 - d. Value for any purpose
3. For appraisal purposes, market value may be defined as
 - a. The most probable selling price
 - b. The amount of the loan commitment
 - c. The asking price
 - d. The highest offer
4. Informal appraisals include
 - a. Price comparisons made by consumers
 - b. The familiar “market analysis” made by sales agents
 - c. Value judgments based on intuition and experience
 - d. All of the above
5. As contrasted with *informal* appraisals, *formal* appraisals
 - a. Are always in writing
 - b. Are based primarily on supporting data
 - c. Depend primarily upon intuition
 - d. Cannot be easily reviewed
6. Which statement accurately describes a formal appraisal report?
 - a. It may be either oral or written
 - b. It may vary in length from a short form or letter to a detailed narrative
 - c. Its form and contents are governed by professional and legal standards
 - d. All of the above are true
7. People turn to professionals for appraisals in order to
 - a. Get a more reliable opinion of value than their own
 - b. Get an unbiased and disinterested opinion of value
 - c. Obtain a document capable of being reviewed
 - d. All of the above

8. Occasions requiring appraisals can be divided into
 - a. Market transactions and legal transactions
 - b. Monetary transactions and business transactions
 - c. Buyers and sellers transactions
 - d. Private and governmental transactions
9. The Ethics Rule of USPAP covers which of the following general areas of appraisal practice:
 - a. Conduct
 - b. Management
 - c. Confidentiality and Record Keeping
 - d. All of the above
10. The Competency Rule allows the appraiser
 - a. To appraise any property falling within his/her certification or license.
 - b. To accept any assignment as long as he/she has no undisclosed interest in the property under appraisal
 - c. To undertake only those assignments that they have the experience necessary to perform, alone, or in association with others
 - d. None of the above
11. The Uniform Standards of Professional Appraisal Practice require
 - a. That the appraiser identify the problem to be solved and the scope of work necessary to solve it, and do the research necessary to produce a credible appraisal
 - b. That the appraiser communicate the value conclusion in a manner that is not misleading
 - c. Both of the above
 - d. None of the above
12. Which of the following is said to be an important reason for studying appraisal?
 - a. To improve one's skills in setting a listing or asking price
 - b. To acquire knowledge you can use in other real estate courses
 - c. To pass the real estate license exams
 - d. All of the above