

**The Valuation Process**

**Definition of the Problem**

Identification of client/ intended users	Intended use of appraisal	Purpose of appraisal (including definition of value)	Date of opinion of value	Identification of characteristics of property (including location and property rights to be valued)	Extraordinary assumptions	Hypothetical conditions
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**Scope of Work**

**Data Collection and Property Description**

<b>Market Area Data</b> General characteristics of region, city, and neighborhood	<b>Subject Property Data</b> Specific characteristics of land and improvements, personal property, business assets, etc.	<b>Comparable Property Data</b> Sales, listings, offerings, vacancies, cost and depreciation, income and expenses, capitalization rates, etc.
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**Data Analysis**

<b>Market Analysis</b> Demand studies Supply studies Marketability studies	<b>Highest and Best Use Analysis</b> Site as though vacant Ideal improvement Property as improved
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**Land Value Opinion**

**Application of the Approaches to Value**

Cost	Sales comparison	Income capitalization
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**Reconciliation of Value Indications and Final Opinion of Value**

**Report of Defined Value**