

The Three Approaches to Value



A Self-Study Course for Assessors and Appraisers

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Introduction

There are three ways to estimate value for real property. You can estimate the cost of building a similar structure on a similar lot. You can estimate the value based on the income the property would earn. Or you can compare the property with other similar properties that have recently sold. This course is designed so you will learn to decide which of these approaches is most likely to give the best evidence of value.

As an appraiser for an Oregon county or the Department of Revenue, or an assessor, it is your duty to place a value on each parcel of real property (land, buildings, and other improvements) within your county.

The purpose of this course is to teach acceptable methods for estimating a value for property assessment purposes. You will work through these materials at your own speed, without a teacher. When finished, you will be able to use these methods of appraisal in a professional manner.

This course of instruction will ask you to respond after each question. The answers to your questions can be found in the Answer Section located at the end of each lesson.

Here are three tips for using this material effectively:

- 1) Work no more than one or two hours at one time.
- 2) Do not allow too much time to go by between study sessions. After a couple of days you may not recall some of the material and will need to review before proceeding.
- 3) Put what you learn to work immediately. You do not have to wait until you finish the course.

Now go ahead to Lesson 1. Good luck!

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