

Dear Real Estate Professional,

- Texas appraisers face unique challenges. Non disclosure laws create an appraisal environment that requires added research when estimating accurate property values, often creating more work for residential appraisers.
- Although access to Multiple Listing Services (MLS) and contact with the key representatives of real estate transactions provide a good foundation for market-based appraisals, many Texas appraisers use a blended valuation method that also employs the cost approach to help determine the most accurate opinion of value under current market conditions.
- Widely used in these blended valuations and as an independent valuation method, the cost approach is integral to appraising residential properties in Texas.

Traditional Uses of the Cost Approach

- Appraisers throughout the United States rely on the cost approach for a variety of assignments, including new or proposed construction, properties that lack comparable sales, when improvements represent the highest and best use of land, when land value is well-supported and for properties not frequently exchanged on the market.
- It is an excellent way to adjust estimates to account for unique property features, project construction costs and is extremely useful in determining depreciation values for physical deterioration or functional or external obsolescence, as applied to the market approach.
- In non-disclosure states, appraisers have traditionally relied on the cost approach in the valuation of most subject properties.
- As a residential appraiser operating in Texas, you face a distinct appraisal climate where the cost approach maintains a prominent role in estimating home values in both rural and urban areas. It is your responsibility to ensure that your appraisals accurately represent the subject property. We are here to help.

□

What Marshall & Swift Can do for You

- Widely recognized as the authority on the cost approach, Marshall & Swift is the appraisal industry's leading provider of building cost data, and has set the standard for cost approach methodology since 1932 when E.P. Marshall's first cost manual rolled off the press.
- Today, we offer our acclaimed cost data in various mediums, including traditional cost


(over, please)

manuals in both print and .pdf formats, desktop calculation software and online applications.

- Annual subscriptions are updated regularly with the latest cost data and local multipliers. On a monthly or quarterly basis, depending on the product, service updates bring with them the latest figures on local market fluctuations in more than 2,600 locations throughout the United States and Canada. Over 100,000 component costs are monitored regularly by our expert research staff. And historical data charts date back to 1901.
- To ensure that you understand how to use our products to value any property in the field, your subscription also includes unlimited free technical support.

[Your Own Personal Subscription](#)

- Beyond the challenges of operating in a non-disclosure state, residential appraisers also need to keep in mind that the new Uniform Residential Appraisal Report now requires that all cost approach totals be replicable. To quote from the URAR form itself, you must "provide adequate information for the lender/client to replicate the below cost figures and calculations." In other words, if you choose to use the cost approach in your valuations, you must include all referenced cost figures with your reports to show how you determined the final estimate. Obviously, those figures need to be current and consistent with the date on the report.
- Now is your chance to put our research, cost data, calculation technology and technical support to work for you, and save a little while you're at it.
- Exclusive to Texas appraisers, you can save 10% on any new purchase of our entire product suite. Save on our time-honored appraisal cost manuals, innovative software solutions and varied appraisal resources.
- Call 800/544-2678 Monday through Friday from 6:30 am to 4:30 pm PST to order today. Or order online at www.marshallswift.com. Use promotion code DM33ECB905 to save .
- Get your numbers right. Right here. Right now.

Sincerely,

Joe Rumi
Sales Manager

P.S. Put Marshall & Swift to work for you. Your annual subscription rate is most likely tax deductible. Ask your tax advisor.