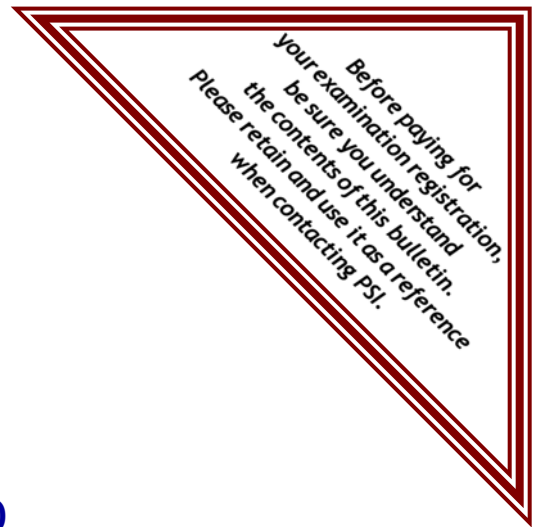




PSI licensure:certification  
 3210 E Tropicana  
 Las Vegas, NV 89121  
 www.psiexams.com



**STATE OF COLORADO  
 DEPARTMENT OF REGULATORY AGENCIES  
 DIVISION OF REAL ESTATE**

**REAL ESTATE APPRAISER  
 CANDIDATE INFORMATION BULLETIN**

**CONTENT OUTLINE**

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**Please refer to our website to check for the most updated information at [www.psiexams.com](http://www.psiexams.com)**

## EXAMINATIONS BY PSI LICENSURE: CERTIFICATION

This Candidate Information Bulletin provides you with information about the examination and application process for becoming licensed as a real estate appraiser in Colorado. You should also access <http://www.dora.state.co.us/real-estate/appraiser/license/license.htm> for complete information on licensing requirements.

You need to pass an examination to confirm that you have attained at least a minimum level of knowledge regarding the principles, practices, statutes and regulations relating to real estate appraisal. The Division has contracted with PSI licensure:certification (PSI) to conduct its examination program. PSI provides examinations through a network of computer examination centers in Colorado.

Following are the National Uniform Licensing and Certification Examinations, developed by the Appraiser Qualifications Board (AOB), as the Licensing Examinations for Appraisers in Colorado offered by PSI:

- State Licensed Appraiser
- Certified Residential Appraiser
- Certified General Appraiser

## GUIDELINES FOR LICENSE APPLICATION/QUALIFICATION

To make the license qualification process go as smoothly as possible, be certain that you:

- Understand the qualification requirements for the level of license for which you are applying.
- Go to <http://www.dora.state.co.us/real-estate/appraiser/license/license.htm> for complete information on licensing requirements.

Questions about applications for licensure should be directed to:

Colorado Division of Real Estate  
1560 Broadway, Suite 925  
Denver, CO 80202  
(303) 894-2166 • Fax (303) 894-2683  
<http://www.dora.state.co.us/real-estate>

Your examination fee will be forfeited if you do not test within 1 year of the date your examination fee is received by PSI.

### Examination Fees

|                                 |       |
|---------------------------------|-------|
| State Licensed Appraiser        | \$130 |
| Certified Residential Appraiser | \$130 |
| Certified General Appraiser     | \$130 |

NOTE: REGISTRATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE.

## EXAMINATION REGISTRATION PAYMENT AND SCHEDULING PROCEDURES

### INTERNET REGISTRATION

The Examination Registration Form is available at PSI's website, [www.psiexams.com](http://www.psiexams.com). You may register for and schedule an examination via the Internet 24 hours a day.

1. Complete the registration form on line via the Internet and select the available dates for your examination.
2. You must pay with a valid credit card (Visa, MasterCard, American Express or Discover).

### FAX REGISTRATION

1. You may complete the Examination Registration Form found at the end of this bulletin. You must pay by valid credit card (Visa, MasterCard, American Express or Discover). *Fax the completed form to PSI at 702-932-2666.* FAX Registrations are accepted 24 hours a day.
2. Please allow 4 business days to process your registration. After 4 business days, you may schedule your examination at [www.psiexams.com](http://www.psiexams.com) or by calling (800) 733-9267. You are responsible for personally (not a friend or relative) calling PSI to schedule an appointment to take the examination. PSI will make every effort to schedule the examination center location and time that is most convenient for you. To schedule your examination using a touch-tone phone, call PSI 24 hours a day at 1-800-733-9267 (*1-800-R-E-EXAMS*). To schedule with a PSI registrar, call Monday through Friday, between 5:30 a.m. and 6:00 p.m., and Saturday, between 9 a.m. and 5 p.m., Mountain Time. If space is available in the examination center of your choice, you may schedule an examination up to 1 day prior to the examination date of your choice. Please be prepared to offer alternative examination appointment choices.

### MAIL REGISTRATION

1. Complete the Examination Registration Form found at the end of this bulletin.
2. Submit the registration form along with payment for standard mail registration. Payment of fees can be made by credit card (Visa, MasterCard, American Express or Discover), money order, company check or cashier's check made payable to PSI. Print your Social Security Number on your check or money order to ensure that your fees are properly assigned. **CASH AND PERSONAL CHECKS ARE NOT ACCEPTED.**
3. Please allow 2 weeks to process your registration. After 2 weeks, you may schedule for your examination at [www.psiexams.com](http://www.psiexams.com) or by calling (800) 733-9267. You are responsible for personally (not a friend or relative) calling PSI to schedule an appointment to take the examination. PSI will make every effort to schedule the examination center location and time that is most convenient for you. To schedule your examination using a touch-tone phone, call PSI 24 hours a day at 1-800-733-9267 (*1-800-R-E-EXAMS*). To schedule with a PSI registrar, call Monday through Friday, between 5:30



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### EMAIL REGISTRATION

Complete the PSI registration form (found at the end of this bulletin), including your credit card number and expiration date. Email the completed form to PSI at examschedule@psionline.com. Email registrations are accepted 24 hours a day.

Please allow 4 business days to process your Registration. After 4 business days, you may go online or call PSI to schedule the examination.

### TELEPHONE REGISTRATION

You may call 1-800-733-9267, 24 hours a day and register using the Automated Registration System. Note: PSI registrars are available between 6:00 a.m. and 6:00 p.m. (Mountain Time).

### SOCIAL SECURITY NUMBER CONFIDENTIALITY

PSI will use your Social Security Number only as an identification number in maintaining your records and reporting your examination scores to the Division of Real Estate. If you elect not to disclose your Social Security number to PSI, please enclose a separate letter explaining this with your examination registration form. However, pursuant to Colorado law (24-34-107 C.R.S.), you MUST provide your social security number to the state to complete the licensing process.

### SPECIAL EXAMINATION ARRANGEMENTS

All examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and every reasonable accommodation will be made in meeting a candidate's needs. Applicants with disabilities or those who would otherwise have difficulty taking the examination must fill out the form at the end of this Candidate Information Bulletin and fax to PSI (702) 932-2666. This form also includes out-of-state testing requests.

### CANCELING OR RESCHEDULING AN APPOINTMENT

You may cancel and reschedule an appointment without forfeiting your fee if your *cancellation notice is received 2 days before the scheduled examination date*. (Example: For a Wednesday appointment, the cancellation notice would need to be received by the close of business on the previous Monday.) You may call PSI at (800)-733-9267 or fax a note to (702)-932-2666. Please note that you may also use the Automated System, using a touch-tone phone, 24 hours a day in order to Cancel and Reschedule your appointment.

It is not possible to make a new examination appointment on the same day you have taken an examination due to processing and reporting scores.

**Note:** A voice mail message is not an acceptable form of cancellation. Please use the PSI Website, automated telephone system, or call PSI and speak to a Customer Service Representative.

### MISSED APPOINTMENT OR LATE CANCELLATION

*Your registration will be invalid, and you will not be able to take the examination as scheduled, and you will forfeit your examination fee, if you:*

- Do not cancel your appointment 2 days before the scheduled examination date; or
- Do not appear for your examination appointment; or
- Arrive after examination start time; or
- Do not present proper identification when you arrive for the examination.

### EMERGENCY EXAMINATION CENTER CLOSING

In the event that severe weather or another emergency forces the closure of an examination center on a scheduled examination date, your examination will be rescheduled. PSI personnel will attempt to contact you in this situation; however, you may check the status of your examination schedule by calling (800) 733-9267. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You may also check our website at [www.psiexams.com](http://www.psiexams.com).

## **EXAMINATION SITE LOCATIONS**

The examinations are administered at the examination centers listed below. The following directions are generated from the most current mapping services available. However, new road construction and highway modifications may result in some discrepancies. If you are not familiar with the specific area of the testing site, please consult a reliable map prior to your test date.

**Denver**  
12150 E. Briarwood Ave, Suite 125  
Centennial, CO 80112  
*Exit I-25 at Arapahoe Road. Head east on Arapahoe (away from the mountains) to Peoria (5 traffic lights). Turn right on Peoria and left on Briarwood.*

**Fort Collins**  
404 North College Avenue  
Fort Collins, CO 80524  
*Take I-25 towards Fort Collins. Take the Ft Collins Alt exit. Head West on Mulberry to College Avenue (Hwy 287). Head North on College Avenue to Willow. Make a right onto Willow, to the first parking lot on the left. PSI is at the front of the Poudre River Art Center building.*

**Pueblo**  
803 West 4th Street, #803S  
Pueblo, CO 81003



## REPORTING TO THE EXAMINATION SITE

On the day of the examination, you should arrive at least 30 minutes prior to your scheduled appointment time. This allows time for the sign-in and identification verification procedure. *If you arrive late, you may not be admitted to the examination site and you will forfeit your examination registration fee.*

Candidates will be required to sign an education verification, which states that you have completed the required education for the examination you are taking.

### REQUIRED IDENTIFICATION AT EXAMINATION SITE

You must provide 2 forms of identification. One must be a VALID form of government-issued identification (Driver's License, State ID, Passport) which bears your signature and has your photograph. The second ID must have your signature and preprinted legal name. All identification provided must match the name on the registration form.

If you cannot provide the required identification, you must call (800) 733-9267 at least 3 weeks prior to your scheduled appointment to arrange a way to meet this security requirement. *Failure to provide ALL of the required identification at the time of the examination without notifying PSI is considered a missed appointment and you will not be able to take the examination at that time.*

**NOTE:** If you recently changed your name, or if your last name includes a generation indicator (e.g., Jr., III), be sure that your name is the same on your 2 forms of identification.

### SECURITY PROCEDURES

The following security procedures will apply during the examination:

- Cell phones, pagers, and children are not allowed in the examination site.
- Candidates will not be permitted to use any calculator that is alpha programmable. In addition, as stipulated by the AQB, each candidate is required to bring the written instructional manual that was provided with the programmable calculator when purchased by the candidate or instructions downloaded from the manufacturer's website so that the test center proctor can ensure that all numeric programs previously stored in the calculator are cleared before the candidate is permitted to use the calculator during the examination. If you do NOT bring these instructions, you will not be permitted to use the calculator. Moreover, all programmable calculators must be cleared upon conclusion of the examination by the test center proctor to prohibit potential security breaches. Note: Candidates need to bring their own financial calculator. One is not available at the test center. Candidates may not share a calculator during the exam.
- No smoking, eating, or drinking will be allowed in the examination site.
- Copying or communicating examination content is a violation of PSI security policy and Colorado State Law. Either one may result in the disqualification of examination results and may lead to legal action.

From I-25 South, take 6<sup>th</sup> St exit (Exit 99A), this exit turns into East 6<sup>th</sup> Street. Turn left onto N Santa Fe Ave. Turn right onto W 4<sup>th</sup> Street, stay on 4<sup>th</sup> St. Go to 4<sup>th</sup> and West. The location is on the right side of the street. Pueblo Central Plaza - large parking lot, across from a laundry mat.

From I-25 North, take 1<sup>st</sup> Street exit (Exit 98A). Turn left onto E 1<sup>st</sup> St. Turn right onto N Santa Fe Ave. Turn left onto W. 4<sup>th</sup> Street, stay on 4<sup>th</sup> St. Go to 4<sup>th</sup> and West. The location is on the right side of the street. Pueblo Central Plaza - large parking lot, across from a laundry mat.

#### Colorado Springs

5050 Edison Avenue, #121

Colorado Springs, CO 80915

*DRIVING DIRECTIONS COMING FROM DENVER, COLORADO (NORTH OF COLORADO SPRINGS). Take I-25 S / US-87 S toward COLO SPGS. Merge onto N ACADEMY BLVD via EXIT 150 toward CO-83. Stay STRAIGHT to go onto N ACADEMY BLVD/CO-83 S. Turn LEFT to take the US-24-BL E ramp toward LIMON. Merge onto E PLATTE AVE / US-24 BL E. Turn LEFT onto WOOTEN RD. Turn RIGHT onto EDISON ST. End at Colorado Spring.*

*DRIVING FROM WOODLAND PARK, COLORADO (WEST OF COLORADO SPRINGS) Start out going EAST on US-24 E toward N PINE ST. Merge onto I-25 S / US-24 E. Merge onto US-24 E via EXIT 139 toward LIMON / AIRPORT. Turn LEFT onto S ACADEMY BLVD / CO-83 N. Take the US-24-BL E ramp toward LIMON. Merge onto E PLATTE AVE / US-24 BL E. Turn LEFT onto WOOTEN RD. Turn RIGHT onto EDISON ST. End at Colorado Springs.*

*DRIVING DIRECTIONS FROM PUEBLO, COLORADO (SOUTH OF COLORADO SPRINGS) Start out going NORTH on I-25 N / US-87 N / US-85 N. Take the CO-83 / ACADEMY BLVD exit- EXIT 135. Merge onto S ACADEMY BLVD / CO-83 N toward AIRPORT. Take the US-24-BL E ramp toward LIMON. Merge onto E PLATTE AVE / US-24 BL E. Turn LEFT onto WOOTEN RD. Turn RIGHT onto EDISON ST. End at Colorado Springs.*

*DRIVING DIRECTIONS FROM LIMON, COLORADO (EAST OF COLORADO SPRINGS) Proceed on US-24 W. Stay STRAIGHT to go onto E PLATTE AVE / US-24 BL W. Turn RIGHT onto BABCOCK RD. Turn LEFT onto EDISON ST. End at Colorado Springs.*

#### Grand Junction

743 Horizon Court, #203

Grand Junction, CO 81506

*From I-70 West turn right onto Horizon Drive Exit, #31. Go for 0.3 miles turn right onto Horizon Ct.*

*From I-70 East turn left onto Horizon Drive Exit, #31 and turn right onto Horizon Ct.*

*From US-50 turn right on 32 RD. go for approximately 5 miles. Turn right onto I-70 Business Loop. Continue on I-70 Business Loop until it merges with US I-70. Take US I-70 West towards Greenriver. Take the Horizon Drive Exit #31. Turn right onto Horizon Dr and right onto Horizon Ct. The site is the last Building on your right. The door on the east side of the building is the entrance to use.*

#### Durango

799 East 3rd Street, Suite 3

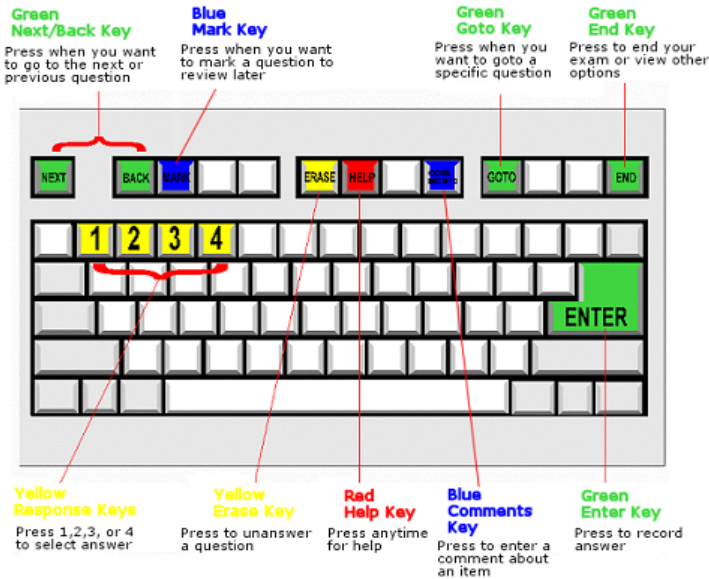
Durango, CO 81301

*From Hwy 550: Turn East on College Drive. Go straight then turn right on East 8th Avenue. Follow until East 3rd Street. PSI Testing is on the right in Suite 3.*



## TAKING THE EXAMINATION BY COMPUTER

Taking the PSI examination by computer is simple. You do not need any computer experience or typing skills. You will use fewer keys than you use on a touch-tone telephone. All response keys are colored and have prominent characters. An illustration of the special keyboard is shown here. You may also use the mouse.



### IDENTIFICATION SCREEN

You will be directed to a semi-/private testing station to take the examination. When you are seated at the testing station, you will be prompted to confirm your name, identification number, and the examination for which you are registered.

### TUTORIAL

Before you start your examination, an introductory tutorial to the computer and keyboard is provided on the computer screen. The time you spend on this tutorial, up to 15 minutes, DOES NOT count as part of your examination time. Sample questions are included following the tutorial so that you may practice using the keys, answering questions, and reviewing your answers.

One question appears on the screen at a time. During the examination, minutes remaining will be displayed at the top of the screen and updated as you record your answers.

### EXAMINATION QUESTION EXAMPLE

During the examination, you should press 1, 2, 3, or 4 to select your answer or press "MARK" to mark it for later review. Or you may simply click on the box to the left of your answer with the mouse. You should then press "ENTER" to record your answer (or click on Next with the mouse) and move on to the next question.



**IMPORTANT:** After you have entered your responses, you will later be able to return to any question(s) and change your response, provided the examination time has not run out or you have ended your examination.

### EXAMINATION REVIEW

AQB will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. While taking the examination, examinees will have the opportunity to provide comments on any questions, by using the comments key on the keyboard. These comments will be analyzed by AQB examination development staff. AQB does not respond to individuals regarding these comments. All substantive comments are reviewed. This is the only review of examination materials available to candidates.

## TIPS FOR PREPARING FOR YOUR LICENSE EXAMINATION

The following suggestions will help you prepare for your examination.

- Planned preparation increases your likelihood of passing.
- Start with a current copy of this Candidate Information Bulletin and use the examination content outline as the basis of your study.
- Read study materials that cover all the topics in the content outline.
- Take notes on what you study. Putting information in writing helps you commit it to memory and it is also an excellent business practice. Underline or highlight key ideas that will help with a later review.
- Discuss new terms or concepts as frequently as you can with colleagues. This will test your understanding and reinforce ideas.
- Your studies will be most effective if you study frequently, for periods of about 45 to 60 minutes. Concentration tends to wander when you study for longer periods of time.

## SCORE REPORTING

In order to pass the examination, you must achieve a minimum scaled score of 75. You will receive your score report immediately following the completion of the examination.

Candidates passing the examination will receive ONLY a score indication of PASS. Passing numeric scores are not available. Candidates who do not pass will receive an individual score for each of the major sections in the examination outline. Candidates should use this information to assist them in studying for the re-examination.

Scaled scores can range from 0 to 110, with 75 and above representing passing. Scores are reported to candidates as scaled scores. The scaled scores are computed from raw scores. Raw scores, or percentage scores, are the actual number of questions answered correctly. Raw scores are mathematically converted to scaled scores to maintain a consistency in the meaning of scores, regardless of when the examination was taken. Examinations change over time. Each examination may vary in difficulty with one examination easier or more difficult than other examinations. However, when converting raw scores to scaled scores, it should not make a difference whether candidates take an easier or more difficult examination. With the mathematical adjustment, the scaled score accounts for differences by adjusting the scores up or down depending on the difficulty of examinations. When these adjustments are made, the effect is to produce an unbiased and constant passing standard that does not change from one examination to another. A scaled score is not a percentage score, but simply a transformation of a raw score to report comparable results when examinations vary in difficulty.

## DESCRIPTION OF EXAMINATIONS

Colorado utilizes the National Uniform Licensing and Certification Examinations which are developed by the Appraiser Qualifications Board (AOB). For further information or to express concerns about the examination content, please contact:

The Appraiser Qualifications Board  
C/O The Appraisal Foundation  
1155 15th Street, NW, Suite 1111  
Washington, DC 20005  
[www.appraisalfoundation.org](http://www.appraisalfoundation.org)  
Telephone: 202-347-7722  
Fax: 202-347-7727

## EXAMINATION SUMMARY TABLE

| Examination                          | Number of Scored Questions | Number of Non-Scored Questions | Passing Scaled Score | Time Allowed |
|--------------------------------------|----------------------------|--------------------------------|----------------------|--------------|
| State Licensed Appraiser (LR)        | 110                        | 15                             | 75                   | 4 hours      |
| Certified Residential Appraiser (CR) | 110                        | 15                             | 75                   | 4 hours      |
| Certified General Appraiser (CG)     | 110                        | 15                             | 75                   | 6 hours      |

In addition to the number of scored examination items specified, fifteen non-scored questions will be administered to candidates during the examinations. The administration of such non-scored questions is essential in developing future licensing examinations.

## NATIONAL UNIFORM AND CERTIFICATION EXAMINATION CONTENT OUTLINES

The examination content outlines have been prepared by the AOB. Use the outline as a guide for pre-examination review course material. The outlines list the content domains and sub-domains that are on the examination and the number of questions for each domain. Do not schedule your examination until you are familiar with the topics in the outline.

| AOB EXAMINATION CONTENT OUTLINES                             | CG        | CR        | LR        |
|--|-----------|-----------|-----------|
| <b>1. Real estate market</b>                                 | <b>22</b> | <b>22</b> | <b>22</b> |
| Types of influences on real estate value                     | 3         | 3         | 3         |
| Agents of production   |           |           |           |
| Factors of value (e.g. desire, utility, scarcity, EPP)       |           |           |           |
| Forces on value (e.g. social, economic, gov., environmental) |           |           |           |
| Principles of real estate                                    |           |           |           |
| Types of government power                                    | 2         | 2         | 2         |
| Police power   |           |           |           |
| Eminent domain   |           |           |           |
| Escheat  |           |           |           |
| Taxation   |           |           |           |
| Types of real estate value                                   | 3         | 3         | 3         |
| Value in use   |           |           |           |
| Market value   |           |           |           |
| Going concern  |           |           |           |
| Investment value   |           |           |           |
| Ad valorem / assessed  |           |           |           |
| Liquidation / disposition                                    |           |           |           |
| Insurable value  |           |           |           |
| Cost vs. Price vs. Value                                     |           |           |           |
| Date of value premise  | 2         | 2         | 2         |
| Retrospective  |           |           |           |
| Current  |           |           |           |
| Prospective  |           |           |           |



|   |           |           |           |
|---|-----------|-----------|-----------|
| Market analysis   | 3         | 3         | 3         |
| Market delineation (e.g. neighborhood, linkages)            |           |           |           |
| Market conditions (e.g. supply/demand, absorption)          |           |           |           |
| Types of market analysis                                    |           |           |           |
| Investment analysis   | 3         | 3         | 3         |
| Mortgage calculations                                       |           |           |           |
| Financial calculations (e.g. net present value)             |           |           |           |
| Tests of highest and best use                               | 2         | 2         | 2         |
| Legally-allowable   |           |           |           |
| Physically-possible   |           |           |           |
| Financially-feasible  |           |           |           |
| Maximally-productive  |           |           |           |
| Analysis of highest and best use                            | 4         | 4         | 4         |
| As improved   |           |           |           |
| As vacant   |           |           |           |
| <b>2. Property description</b>                              | <b>12</b> | <b>13</b> | <b>13</b> |
| Description of land or site                                 | 3         | 3         | 4         |
| Physical and functional description                         |           |           |           |
| Legal description   |           |           |           |
| Metes and bounds  |           |           |           |
| Government survey   |           |           |           |
| Lot and block   |           |           |           |
| Description of improvements and building components         | 2         | 3         | 3         |
| Physical and functional description                         |           |           |           |
| Personal property items vs. fixtures                        |           |           |           |
| Legal interest  | 3         | 3         | 2         |
| Fee simple  |           |           |           |
| Leased fee  |           |           |           |
| Leasehold   |           |           |           |
| Life estate and remainders                                  |           |           |           |
| Partial / fractional interest (e.g. condominiums, co-ops)   |           |           |           |
| Types of ownership and legal documents (e.g. joint tenancy) |           |           |           |
| Rights to use   | 2         | 2         | 2         |
| Public restrictions   |           |           |           |
| Private restrictions  |           |           |           |
| Property taxation   | 2         | 2         | 2         |
| <b>3. Land or site valuation</b>                            | <b>4</b>  | <b>4</b>  | <b>4</b>  |
| Land or site valuation methods                              | 4         | 4         | 4         |
| Allocation  |           |           |           |
| Extraction  |           |           |           |
| Residual  |           |           |           |
| Subdivision   |           |           |           |
| Sales comparison (e.g. paired sales)                        |           |           |           |
| Ground rent capitalization ( <i>CG ONLY</i> )               |           |           |           |
| <b>4. Sales comparison approach</b>                         | <b>16</b> | <b>24</b> | <b>24</b> |
| Identification of comparable sales                          | 3         | 4         | 4         |
| Units of comparison   | 3         | 4         | 4         |
| Elements of comparison                                      | 3         | 4         | 4         |
| Property rights   |           |           |           |
| Financing   |           |           |           |
| Condition of sale   |           |           |           |
| Expenditures immediately upon sale                          |           |           |           |
| Market conditions   |           |           |           |
| Location  |           |           |           |
| Physical characteristics                                    |           |           |           |
| Economic characteristics                                    |           |           |           |
| Use / legal   |           |           |           |

|  |           |           |           |
|--|-----------|-----------|-----------|
| Non-realty components of value                                     |           |           |           |
| Quantitative adjustments   | 2         | 5         | 6         |
| Paired data  |           |           |           |
| Statistical methods (e.g. linear regression, graphic analysis)     |           |           |           |
| Cost analysis  |           |           |           |
| Income capitalization  |           |           |           |
| Qualitative adjustments  | 2         | 4         | 3         |
| Trend analysis   |           |           |           |
| Ranking analysis / bracketing                                      |           |           |           |
| Relative comparison analysis                                       |           |           |           |
| Interviews with market participants                                |           |           |           |
| Reconciliation to indicated value by the sales comparison approach | 3         | 3         | 3         |
| <b>5. Cost approach</b>  | <b>14</b> | <b>16</b> | <b>17</b> |
| Sources of cost information  | 2         | 2         | 2         |
| Cost manuals and services  |           |           |           |
| Actual costs   |           |           |           |
| Market-extracted   |           |           |           |
| Cost components  | 2         | 1         | 2         |
| Direct   |           |           |           |
| Indirect   |           |           |           |
| Entrepreneurial incentive and profit                               |           |           |           |
| Reproduction vs. replacement cost                                  |           |           |           |
| Depreciation   | 3         | 6         | 6         |
| Physical deterioration   | 1         | 2         | 2         |
| Physical curable   |           |           |           |
| Physical incurable short-lived                                     |           |           |           |
| Physical incurable long-lived                                      |           |           |           |
| Functional obsolescence  | 1         | 2         | 2         |
| Curable  |           |           |           |
| Incurable  |           |           |           |
| External obsolescence  | 1         | 2         | 2         |
| Locational   |           |           |           |
| Economic   |           |           |           |
| Methods of estimating depreciation                                 | 5         | 5         | 5         |
| Age-life and modified age-life                                     |           |           |           |
| Breakdown  |           |           |           |
| Market extraction  |           |           |           |
| Reconciliation to indicated value by the cost approach             | 2         | 2         | 2         |
| <b>6. Income approach</b>  | <b>22</b> | <b>11</b> | <b>10</b> |
| Sources of income generation                                       | 2         | 2         | 2         |
| Rent and leases  |           |           |           |
| Reimbursements   |           |           |           |
| Other  |           |           |           |
| Occupancy / vacancy analysis                                       | 2         | 1         | 1         |
| Expenses   | 2         | 2         | 2         |
| Fixed  |           |           |           |
| Variable   |           |           |           |
| Replacement allowance / reserves                                   |           |           |           |
| Capital expenses vs. ordinary expenses                             |           |           |           |
| Capitalization   | 10        | 4         | 3         |
| Direct capitalization  | 4         | 3         | 2         |
| Multipliers  |           |           |           |
| Overall rates (e.g. equity rates)                                  |           |           |           |
| Reconstruction of operating statement (e.g. NOI, EGI, ratios)      |           |           |           |
| Derivation of capitalization rates                                 | 2         | 1         | 1         |
| Band of investment   |           |           |           |
| Market-extracted   |           |           |           |
| Yield capitalization ( <i>CG ONLY</i> )                            | 4         | 0         | 0         |

|  |           |           |           |
|--|-----------|-----------|-----------|
| Discounted cash flow                                     |           |           |           |
| Property models  |           |           |           |
| Yield rates  |           |           |           |
| Estimation of value using income approach                | 4         | 1         | 1         |
| Using direct capitalization                              | 2         | 1         | 1         |
| Fee simple   |           |           |           |
| Leased fee   |           |           |           |
| Leasehold  |           |           |           |
| Using yield capitalization (CG ONLY)                     | 2         | 0         | 0         |
| Fee simple   |           |           |           |
| Leased fee   |           |           |           |
| Leasehold  |           |           |           |
| Reconciliation to indicated value by the income approach | 2         | 1         | 1         |
| <b>7. Reconciliation of value indications</b>            | <b>2</b>  | <b>2</b>  | <b>2</b>  |
| Reconciliation of approaches to value                    | 2         | 2         | 2         |
| <b>8. Uniform standards of prof. appr. practice</b>      | <b>18</b> | <b>18</b> | <b>18</b> |
| Definitions and preamble                                 | 2         | 2         | 2         |
| Ethics rule  | 2         | 2         | 2         |
| Record keeping rule                                      | 2         | 2         | 2         |
| Competency rule  | 2         | 2         | 2         |
| Scope of work rule                                       | 2         | 2         | 2         |
| Jurisdictional exception rule                            | 1         | 1         | 1         |
| Standard 1   | 2         | 2         | 2         |
| Standard 2   | 2         | 2         | 2         |
| Standard 3   | 1         | 1         | 1         |
| Statements on appraisal standards                        | 2         | 2         | 2         |

## SAMPLE QUESTIONS

The following questions are offered as examples of the types of questions you will be asked during the course of the examination. The examples do not represent the full range of content or difficulty levels found in the actual examinations. They are intended to familiarize you with the types of questions you can expect to find in the examinations. The answer key is found at the end of the sample questions.

- The subject property is a 10,000-sf office building encumbered by a full-service lease with a contract base rent of \$1.25 per square foot monthly. Stabilized vacancy/credit loss allowance for similar properties within the market area is 7% of PGI. The operating expense ratio for similar properties is 30% of EGI, plus reserves for replacement of \$0.15 per square foot. What is the projected net operating income?
  - \$93,000
  - \$94,500
  - \$96,150
  - \$97,650
- The subject assignment is to appraise a vintage house built in 1880 using the cost approach. The house has metal stamped ceilings, lath, and plaster walls, which are items not easily available in today's construction. The estimated replacement cost using modern materials is \$120 per square foot. Contractors charge \$15 more per square foot to work on older houses. The estimated

reproduction cost is \$185 per square foot. What is the estimated loss in utility?

- \$15 per square foot
  - \$33 per square foot
  - \$65 per square foot
  - \$80 per square foot
- The occupants of a dwelling have been granted a life estate by their daughter. What interest does the daughter hold in the property?
    - Life tenant
    - Remainder
    - Trustee
    - Trustor
  - A client requires the cost approach be completed for a warehouse located in an industrial park. There are no vacant land comparables in the market area. There are three sales of commercial buildings in the industrial park with similar lots that the appraiser has researched extensively. The appraiser found the following information:

Sale 1 sold for \$1,750,000. The buyer allocated 20% of the value to the site and 80% to the value of the structure.

Sale 2 sold for \$1,000,000. The buyer was not available for verification, but the seller was available. The seller had just built the structure after holding the lot for 10 years as an investment property. The seller paid \$100,000 for the lot and had earned 25% straight line annual return on his investment over the cost of the structure and its entrepreneurial profit.

Sale 3 sold for \$3,500,000. The buyer estimated that 90% of what he paid was for the structure.

What is the indicated value of the lot using the allocation approach?

- \$125,000
  - \$135,000
  - \$350,000
  - \$500,000
- A homeowner purchased two adjacent lots in a tract subdivision 20 years ago and built a single-unit dwelling entirely on one lot, utilizing the second lot as a side yard. The homeowner has decided to build a smaller home on the vacant side lot and retain the existing home as a rental. What term applies to the second yard?
    - Excess land
    - Surplus land
    - Underutilized site
    - Vacant site
  - While working on an appraisal of a residential property in a new home subdivision, the appraiser finds that the builders have a total of 100 home sites currently offered for sale. In measuring market demand, the appraiser notes that all of the builders combined are currently averaging two new sales contracts per month, and are expecting to sell 24 dwellings within the next year. What conclusion can be



drawn with regard to the 100 available home sites and a market period of the next 12 months?

- A. The market is in a condition of supply and demand
- B. The market is in a condition of balance
- C. The market is in a condition of undersupply
- D. The market is in a condition of oversupply

ANSWERS: 1 = C, 2 = C, 3 = B, 4 = C, 5 = A, 6 = D



# COLORADO APPRAISER EXAMINATION REGISTRATION FORM

1. Legal Name: \_\_\_\_\_  
First Name \_\_\_\_\_ Last Name \_\_\_\_\_ Middle Name \_\_\_\_\_

2. Social Security:    -   -    (FOR IDENTIFICATION PURPOSES ONLY)

3. Date of Birth: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
MONTH DATE YEAR

4. Mailing Address: \_\_\_\_\_  
Number, Street (Must be a physical address, PO Boxes are NOT accepted) Apt/Ste \_\_\_\_\_  
\_\_\_\_\_  
City State Zip Code

5. Telephone: Cell \_\_\_\_\_ - \_\_\_\_\_ Office \_\_\_\_\_ - \_\_\_\_\_

6. Email: \_\_\_\_\_@\_\_\_\_\_

7. Examination: (Check one)  Certified General Appraiser \$130 (If you fail the retake fee is \$130)  
 State Licensed Appraiser \$130 (If you fail the retake fee is \$130)  
 Certified Residential Appraiser \$130 (If you fail the retake fee is \$130)

(Check one)  FIRST TIME  RETAKE

8. Total Fees Included: \$\_\_\_\_\_ Pay by credit card, money order, company check or cashier's check. Make checks payable to "PSI Examination Services" and write the applicant's social security number on the check. Cash and personal checks are not accepted.

If paying by credit card, check one:  VISA  MasterCard  American Express  Discover

Card No: \_\_\_\_\_ Exp. Date: \_\_\_\_\_

Card Verification No: \_\_\_\_\_  
*The card verification number may be located on the back of the card (the last three digits on the signature strip) or on the front of the card (the four digits to the right and above the card account number).*

Billing Street Address: \_\_\_\_\_ Billing Zip Code: \_\_\_\_\_

Cardholder Name (Print): \_\_\_\_\_ Signature: \_\_\_\_\_

9. I am faxing the Special Arrangement Request Form (on the next page) and required documentation.  Yes  No

10. Affidavit: I certify that the information provided on this registration form (and/or telephonically to PSI) is correct. I understand that any falsification of information may result in denial of licensure. I have read and understand the examination information bulletin.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

IF YOU ARE REGISTERING BY MAIL OR FAX, SIGN AND DATE THIS REGISTRATION FORM ON THE LINES PROVIDED.  
Complete and forward this registration form with the applicable examination fee to:  
PSI licensure:certification \* ATTN: Examination Registration CO APP  
3210 E Tropicana \* Las Vegas, NV \* 89121  
Fax (702) 932-2666 \* (800) 733-9267 \* TTY (800) 735-2929  
[www.psiexams.com](http://www.psiexams.com)



# SPECIAL ACCOMMODATION REQUEST FORM OR OUT-OF-STATE TESTING REQUEST

All examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990. Applicants with disabilities or those who would otherwise have difficulty taking the examination may request special examination arrangements.

Candidates who wish to request special arrangements because of a disability should fax this form and supporting documentation to PSI at (702) 932-2666.

### Requirements for special arrangement requests

You are required to submit documentation from the medical authority or learning institution that rendered a diagnosis. Verification must be submitted to PSI on the letterhead stationery of the authority or specialist and include the following:

- Description of the disability and limitations related to testing
- Recommended accommodation/modification
- Name, title and telephone number of the medical authority or specialist
- Original signature of the medical authority or specialist

Date: \_\_\_\_\_

Social Security or ID#: \_\_\_\_\_

Legal Name: \_\_\_\_\_

|           |            |
|-----------|------------|
| Last Name | First Name |
|-----------|------------|

Address: \_\_\_\_\_

|        |                       |
|--------|-----------------------|
| Street | City, State, Zip Code |
|--------|-----------------------|

Telephone: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

|      |      |
|------|------|
| Home | Work |
|------|------|

Email Address: \_\_\_\_\_

### Check any special arrangements you require (requests must concur with documentation submitted):

- |   |  |
|---|--|
| <input type="checkbox"/> Reader (as accommodation for visual impairment or learning disability) | <input type="checkbox"/> Extended Time<br>(Additional time requested: _____) |
| <input type="checkbox"/> Large-Print written examination  | <input type="checkbox"/> Other _____   |

Out-of-State Testing Request (this request does not require additional documentation) \_\_\_\_\_

Site requested: \_\_\_\_\_

- Complete and fax this form, along with supporting documentation, to (702) 932-2666.
- After 4 business days, please call 702-939-6750 and leave a voice message.
- PSI Special Accommodations will call you back to schedule the examination within 48 hours.

**DO NOT SCHEDULE YOUR EXAMINATION UNTIL THIS DOCUMENTATION HAS BEEN RECEIVED AND PROCESSED BY PSI SPECIAL ACCOMMODATIONS.**

PSI licensure:certification  
3210 E Tropicana  
Las Vegas, NV 89121