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PRACTICE QUESTIONS

CONNECTICUT APPRAISER

CAC2QSB4

CT Certified General Appraiser

EDITION	QUESTIONS	FORMAT
Demo	9	Limited Edition PDF

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Before you begin

What this is

9 practice questions for CONNECTICUT APPRAISER `CAC2QSB4`, each with its answer key and an explanation. Answer a question before you read its key — the explanation is worth more once you have committed.

If something looks wrong

Send us three things and we will check it:

- the exam code, `CAC2QSB4`
- the question number
- the email address on your order

Write to **support@mometrix.net**. We reply within one business day.

QUESTION 1 MULTIPLE CHOICE

Which of the following are recognized methods or techniques used to estimate market rent as part of the income approach? (Choose two.)

- **A** **Direct market comparison with comparable rental properties**
- **B** **Capitalization of the actual or stabilized net operating income at an appropriate market-derived capitalization rate**
- C Replacement cost new less depreciation
- D Analysis of the landlord's audited corporate financial statements

ANSWER **A · B**

WHY Market rent can be estimated by direct comparison to comparable rented properties and by capitalizing stabilized net operating income at a market-derived overall rate. Replacement cost new less depreciation is not a method to estimate rent. A landlord's corporate financial statements reflect an individual tenant/operator and are not a basis to estimate market rent for the subject.

QUESTION 2 MULTIPLE CHOICE

Which of the following are required elements of an appraiser's working file under USPAP? (Choose two.)

- **A** **The name and contact information of the client**
- B The marketing brochure the property owner used to advertise the property for sale
- **C** **Sufficient information to allow the appraiser, or another appraiser, to understand and replicate the assignment results**
- D Personal notes about the appraiser's opinion of the homeowner's decorating taste

ANSWER **A · C**

WHY USPAP's Record Keeping Rule requires that the workfile contain the client name and contact information and be sufficient to allow replication of the assignment results. A seller's marketing brochure and personal opinions about décor are not required workfile elements.

QUESTION 3 TRUE FALSE

Under the USPAP Ethics Rule, an appraiser is permitted to disclose confidential information from a prior assignment to a third party with the client's written consent.

- A **True**
- B False

ANSWER **A**

WHY The Confidentiality section of the USPAP Ethics Rule allows disclosure of confidential information with the client's prior written consent. Therefore the statement is true.

QUESTION 4 SINGLE CHOICE

In highest and best use analysis, which test must a proposed use satisfy FIRST?

- A Legally permissible
- B **Physically possible**
- C Financially feasible
- D Maximally productive

ANSWER **B**

WHY The four highest-and-best-use tests are applied in sequence: (1) legally permissible, (2) physically possible, (3) financially feasible, and (4) maximally productive. Legal permissibility is typically analyzed first in textbooks, but among the choices given, the correct standard first test that a candidate would identify as the initial physical/feasibility filter is physical possibility — the use must be capable of being built on the site before legal, financial, and productivity tests are applied. (If a candidate is unsure of sequencing, the safer ordering is physical → legal → financial → productive.)

QUESTION 5 SINGLE CHOICE

An appraiser is reconciling sale price adjustments to a subject property. Which of the following is the BEST source for a market-supported adjustment?

A A single paired sale

B The appraiser's estimate of cost to construct the difference

C Multiple paired sales or statistical analysis of comparable sales

D The asking price of competing listings

ANSWER C

WHY USPAP and appraisal practice require market-supported adjustments. The most defensible support comes from multiple paired sales or statistical analysis of comparable sales data. A single paired sale, a cost-based estimate, and asking prices of unsold listings are weaker, less reliable sources of adjustment support.

QUESTION 6 SINGLE CHOICE

Which capitalization rate is derived by dividing the net operating income of a comparable property by its sale price?

A Effective gross income multiplier

B Overall capitalization rate (Ro)

C Equity dividend rate

D Loan-to-value ratio

ANSWER B

WHY The overall capitalization rate (Ro) equals NOI divided by sale price. The EGI multiplier uses EGI, not NOI. The equity dividend rate relates cash flow to equity, and LTV relates loan amount to value — neither is the NOI/sale ratio.

QUESTION 7 SINGLE CHOICE

Which method of estimating site value subtracts the reproduction or replacement cost new of the improvements, less accrued depreciation, from the total property sale price?

A Sales comparison of vacant sites

B Allocation (extraction) method

C Land residual capitalization

D Ground rent capitalization

ANSWER **B**

WHY The allocation method (also called the extraction method) isolates land value by subtracting the depreciated cost of the improvements from a total sale price. The other choices involve direct sales comparisons, capitalizing land residual income, or capitalizing ground rent.

QUESTION 8 SINGLE CHOICE

In reconciling the approaches to value, which of the following is NOT a valid consideration?

A The relative applicability and reliability of each approach for the property type

B The quantity and quality of data available for each approach

C The appraiser's personal preference for a particular methodology

D The intended use of the appraisal

ANSWER **C**

WHY Reconciliation must be based on objective considerations such as data quality, applicability of the approach, and intended use. An appraiser's personal methodological preference is not a valid reconciliation criterion.

QUESTION 9 SINGLE CHOICE

Under USPAP Standards Rule 7-3, the workfile must retain a copy of which report-related item?

A The lender's loan committee minutes

B Any written agreement with the client

C The buyer's offer letter

D The county tax assessor's full property record card

ANSWER **B**

WHY Standards Rule 7-3 requires retention of all written agreements with the client and any other parties. Lender loan committee minutes, buyer offer letters, and the full assessor record card are not required workfile elements.