**Errata (2017-11-14)**

At Dearborn™ Real Estate Education, we are proud of our reputation for providing the most complete, current, and accurate information in all our products. We are committed to ensuring the kind of quality you rely on. Please note the following changes, which will be reflected in the next printing of *Florida Real Estate Broker’s Guide, Sixth Edition*.

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| Page/Location | Was | Change to |
| 215 | The subject property is a four-bedroom, two-bath, two-car garage home in Dogwood Terrace subdivision. Comp A, a three-bedroom, two-bath home with a screened-in porch, sold for $226,000. The appraiser valued the porch at $5,000 and estimated the bedroom adjustment at $15,000.  2. What is comp A’s adjusted sale price? | The subject property is a four-bedroom, two-bath, two-car garage home in Dogwood Terrace subdivision.  2. Comp A, a three-bedroom, two-bath home with a screened-in porch, sold for $226,000. The appraiser valued the porch at $5,000 and estimated the bedroom adjustment at $15,000. What is comp A’s adjusted sale price? |
| 412, first table | 17.1% | 17.7% |
| 489, question 39 | What is total of the documentary stamp taxes and intangible taxes on the financing? | What is the total of the documentary stamp taxes and intangible taxes on the financing? |
| 530, Unit 7 Exam Answers, question 2. | The answer is $236,000. To calculate the adjusted sale price, add $10,000 for the missing bedroom, and subtract $2,500 for the presence of the porch: $116,000 + $10,000 – $2,500 = $123,500 adjusted sale price. | The answer is $236,000. To calculate the adjusted sale price, add $15,000 for the missing bedroom, and subtract $5,000 for the presence of the porch: $226,000 + $15,000 – $5,000 = $236,000 adjusted sale price. |
| 530, Unit 7 Exam Answers, question 3. | The answer is $224,200. Add $7,200 for the decrease in size; subtract $1,500 for the addition of a fireplace; subtract $2,000 for the landscaping: $118,900 + $7,200 – $1,500 – $2,000 = $122,600. | The answer is $224,200. Comp B is 120 square feet smaller x $90 per square foot = $10,800.  Comp B sale price $218,900 + $10,800 for square footage adjustment, - $2,500 for fireplace adjustment, and - $3,000 for landscaping adjustment = $224,200. |
| 530, Unit 7 Exam Answers, question 4. | The answer is $231,250. Add $5,750 to adjust for location, and subtract $3,500 to adjust for landscaping and the sprinkler system: $115,000 + $5,750 – $3,500 = $117,250. | The answer is $231,250. Location adjustment: Comp C sale price $225,000 x .05 = $11,250.  Comp C sale price $225,000 + $11,250 for location adjustment, - $5,000 for sprinkler and landscaping adjustment = $231,250. |
| 531, Unit 7 Exam Answers, question 5. | The answer is .0022. To calculate the monthly rate of change, subtract the initial price from the resale price to arrive at the difference in prices: $83,500 – $78,700 = $4,800 = difference in prices. Divide the difference in prices by the initial sales price to arrive at the percentage change: $4,800 ÷ $78,700 = .0610 percentage change. Divide the percentage change by the number of months between sales to arrive at the monthly rate of change: .0610 ÷ 12 = .0051 monthly rate of change. | The answer is .0022. To calculate the monthly rate of change, subtract the initial price from the resale price to arrive at the difference in prices: $183,500 – $178,700 = $4,800 = difference in prices. Divide the difference in prices by the initial sales price to arrive at the percentage change: $4,800 ÷ $178,700 = .0269 percentage change. Divide the percentage change by the number of months between sales to arrive at the monthly rate of change: .0269 ÷ 12 = .0022 monthly rate of change. |
| 531, Unit 7 Exam Answers, question 6. | The answer is .0020. To calculate the monthly rate of change, subtract the initial price from the resale price to arrive at the difference in prices: $86,900 – $81,250 = $5,650 difference in prices. Divide the difference in prices by the initial sales price to arrive at the percentage change: $5,560 ÷ $81,250 = .070 percentage change. Divide the percentage change by the number of months between sales to arrive at the monthly rate of change: .070 ÷ 16 = .0043 monthly rate of change. | The answer is .0020. To calculate the monthly rate of change, subtract the initial price from the resale price to arrive at the difference in prices: $186,900 – $181,250 = $5,650 difference in prices. Divide the difference in prices by the initial sales price to arrive at the percentage change: $5,650 ÷ $181,250 = .0312 percentage change. Divide the percentage change by the number of months between sales to arrive at the monthly rate of change: .0312 ÷ 16 = .0020 monthly rate of change. |
| 531, Unit 7 Exam Answers, question 7. | a The answer is .21 percent. To determine the average monthly rate of change for the two properties, add the two rates, and divide by two: .0043 + .0051 = .0094; .0094 ÷ 2 = .0047 or .47 percent. | The answer is .21 percent. To determine the average monthly rate of change for the two properties, add the two rates, and divide by two: .0022 + .0020 = .0042; .0042 ÷ 2 = .0021 or .21 percent. |
| 531, Unit 7 Exam Answers, question 8. | a The answer is $184,293.20. The monthly rate of change can be applied to past sale prices of comparable properties to determine the prices they should bring under current market conditions. Multiply the comparable transaction's sale price ($82,000) by the average monthly rate of change (.0047) to determine the monthly rate of change in dollar amount ($385.40). Multiply the monthly change in dollar amount ($385.40) by the number of months since the sale (18) to determine the total value added ($6,937.20) since the comparable sold. Add the total value added since the comparable sold to the comparable sale price to determine the market conditions-adjusted normal sale price ($88,937.20): $82,000 × .0047 = $385.40 = monthly rate of change in dollar amount × 18 months since comparable sold = $6,937.20 = value added over past 18 months + $82,000 comparable sale price = $88,937.20 market conditions-adjusted normal sale price. | The answer is $184,293.20. Average monthly rate of change (question 7) .0021 x 6 months = .0126 change x $182,000 sale price = $2,293.20. Transaction sale price $182,000 + $2,293.20 market conditions adjustment = $184,293.20. |
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