**FAQ's**

## Why do I need to include cost approach?

The cost approach is not only used for the cost approach, it is also used to calculate depreciation from new construction for effective age, average annual rate of depreciation, which is used in GLA adjustments, remaining economic life, and more. These fields must be filled out even if you don't include the cost approach in your report. On the Input page, you may select yes or no for cost approach. If you select no, we will not complete this on page three of the report.

## How does regression analysis work?

Regression analysis uses your MLS data import, copies only the sold properties from the comp search page to the regression page and calculates the regression on these properties only. 100 comps are recommended to get a true picture, but regression analysis is only a tool. In cookie cutter neighborhoods, it can be very accurate but in non-homogenous neighborhoods it can give very wild results. There is no way to change the manner in which regression is calculated.

## Do the MLS Export fields need to be in any order?

Please review the Genie Mapped MLS list page on our website for more information on the MLS set up process. The MLS export set up guide PDF details the exact ordering and necessary fields for Genie.

## Why do the adjustments change?

Adjustments are market driven, as you adjust your comps some adjustments are recalculated based on the net adjusted value of the comps.

## Why are the adjustments so small/large for bath/garage?

The bath/garage adjustments are based on a hybrid matched pair adjustment we developed. If your range of adjusted comps is very close, then the hybrid matched pairs only has a small amount to adjust. If your range is large, then a larger adjustment is calculated. Refer to the tabs in Genie for all adjustments provided. For example, if you

want more information regarding an allocation bath adjustment, click on the Allocation tab. If your range of adjusted comps is very large, i.e. a very small market with varied comps that have large variances in GLA, then this method most likely is not reliable due to the lack of truly comparable properties.

## What data does Genie use for the allocation, regression, extraction, and the matched pairs adjustments?

On the comps search page, only the comps that are considered true comps are displayed.  As shown below, all 89 sold are used for regression and matched pairs analysis. For extraction and allocation, only the subject and the comps selected for the report are used in the analysis. 1004mc numbers come from the true comp search.

|  | Total | Selected |
|---|---|---|
| Active | 37 | 0 |
| Sold | 89 | 0 |
| Pending | 7 | 0 |
| Other | 22 | 0 |
| Total | 155 | 0 |

## If I export the comps back to my report, and then decide I want to add additional comps, do I have to start over?

Yes, when you export the Genie data back to your report, that is one use. If you want to change/add additional comps, you must relaunch Genie from your form filling software. If you want to change/add additional comps, you must relaunch Genie from your form filling software and go back through Genie all over again.

## Where do the calculations come from?

All the calculations used in Genie are derived straight from text books used by the Appraisal Institute or Columbia Institute. All formulas are public access.

## What is the land comp sales area for?

Land value is reconciled ONLY if there are land sales available. In mature neighborhoods where it is not, allocation or extraction is used. This section is used exactly as the side by side section to make adjustments and ratings to establish land value for land sales.

Building-cost.net automatically factors in your local multiplier when it looks up the zip code of the subject. If site values are far apart, it is usually related to your quality rating being incorrect. Building-cost.net uses a similar rating to Marshall & Swift which is where the Q ratings were taken from. If a quality rating is too low/high, it will greatly affect the adjustments.

## Do I have control over the data imported into Genie?

The appraiser has complete control over the data imported from their MLS or Public Records. In your defaults, you can tell Genie what source to use for site, GLA, age, etc. If all sources report the wrong information, you may manually enter any data which will cause Genie to recalculate any effected adjustments.

## How many different databases does Genie pull from?

Genie verifies each address with the USPS, calculates distance with our Geocoder, utilizes building-cost.net, accesses Public Records, and pulls local tax assessor information for land value.

## How does Genie determine the indicated value?

This is a suggested value. If you look at the reconciled page, all details are provided for all three methods of reconciling. The final reconciliation of the three approaches are based on the weighting you use on the Input page as show below.

Reconciliation Weighting ?

(Weight 1-10):
Cost Approach:

Sales Comparison Approach: 10

Income Approach: