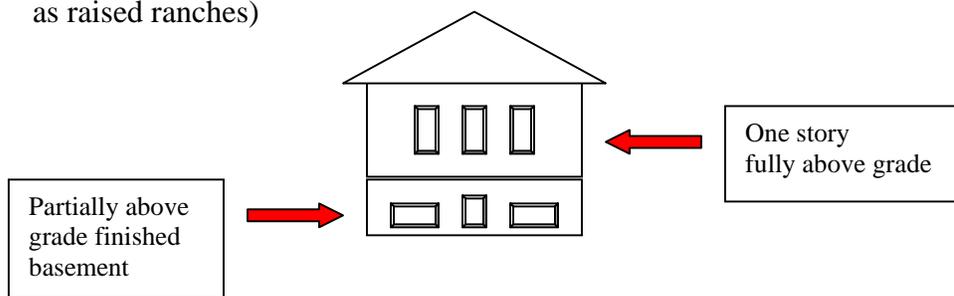


The Square Footage Dilemma

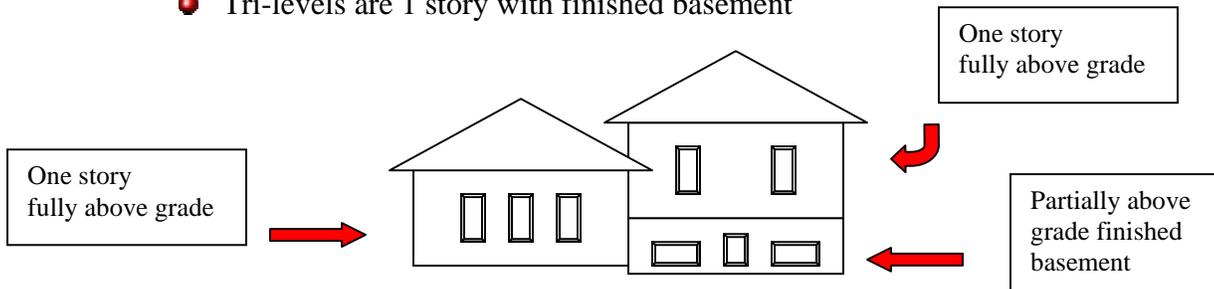
How to calculate square footage... seems a simple concept however it's a breeding ground for controversy. Beyond the obvious measurements, which is assumed most agents understand; determining living area can sometimes be confusing and occasionally subjective.

Myths:

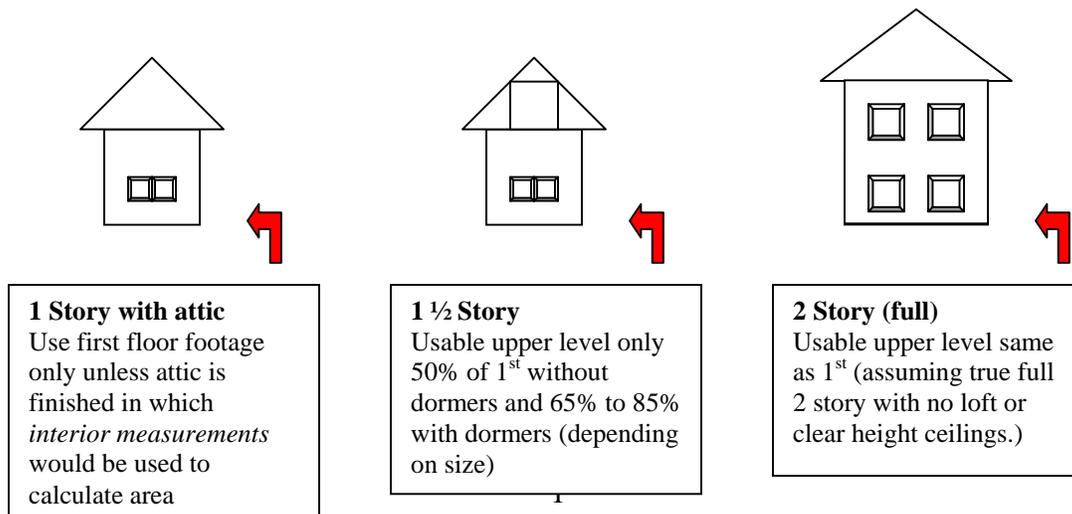
- There are **NO** "2 story ranches" they are called bi-levels (also sometimes known as raised ranches)



- Tri-levels are 1 story with finished basement



- You **cannot** automatically double the area of the first floor when calculating a 2 story or 1½ story home. (Frequently the second floor is only partially finished or only has a limited amount of useable space.)



Calculations of *Total Living Area Square Footage*

What to include:

- All living area, which means: area finished in a contiguous fashion, similar quality and construction throughout
- Mechanical rooms and/or utility rooms which are a standard size and contained within a predominately finished area (ie. off entry way, contained within a closet or reasonable area in finished lower level) This is subjective, use professional opinion whether or not it is a substantial unfinished area or one dedicated to utilities.
- Lower level finish requires an ingress/egress access, (oversized windows or walkout exposure, etc.). Include this area in total living area square footage if finished. If unfinished DO NOT include, list in note section as potential living area.

What not to include:

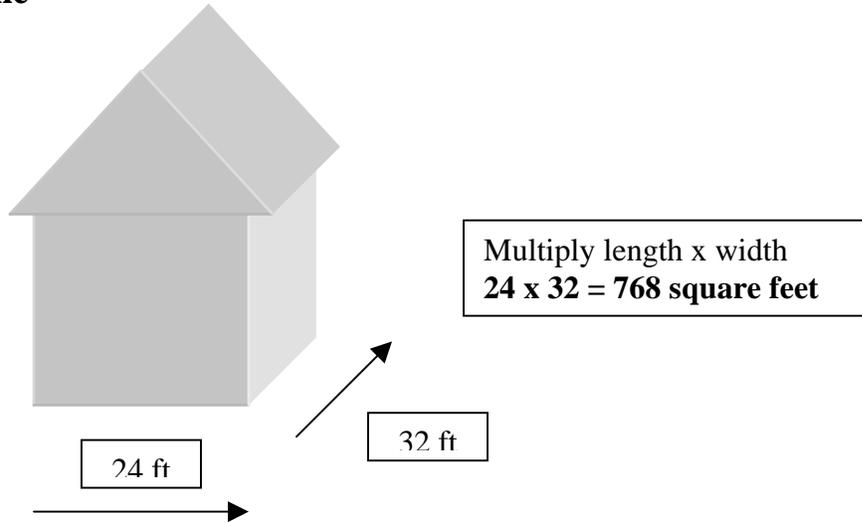
- Garage area
- Unfinished attic
- Unfinished lower level (even if it has exposure)
- Finish in a standard basement with no exposure or egress windows ** this area can be noted in MLS under basement dimensions but should not be included in total living area because this finish is not considered legal according to National Standards for Homeowners Insurance Companies and Real Estate Appraisers

Accurate square footage is important for many reasons:

- Your customers or clients are using this information to make decisions regarding purchasing a particular property and although the information we provide to them is an estimate only, the better information we supply them with the better informed and confident they will feel.
- We are professionals and therefore should strive to compile good reliable information. Our work is a reflection on us and the industry as a whole.
- Uniform applications in calculating area allows all of us to have a certain level of confidence in the information regardless of who is supplying it.
- Searching comparables can be painstaking enough without the concern that the information supplied is inaccurate. Large margins of error can truly sway the outcome of a CMA. Excellent comps could be excluded or poor ones included based on **avoidable** errors.

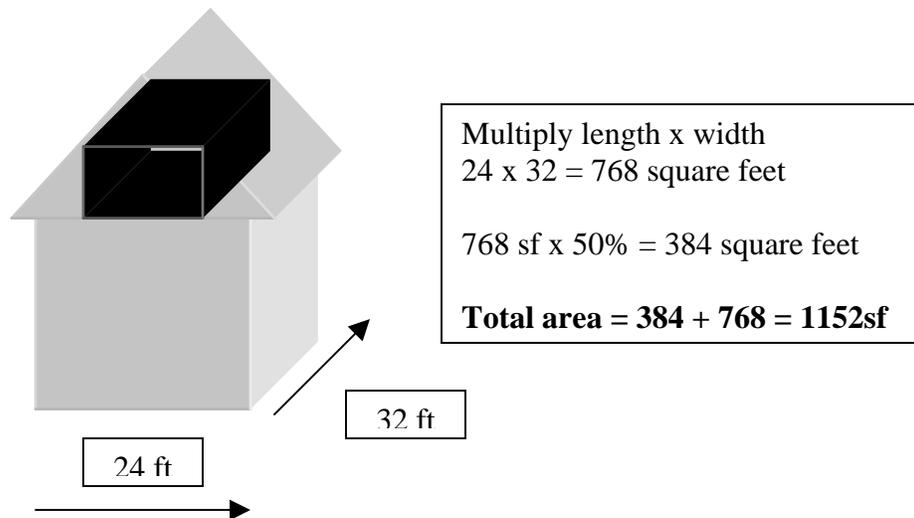
How to Calculate Area

1 Story home



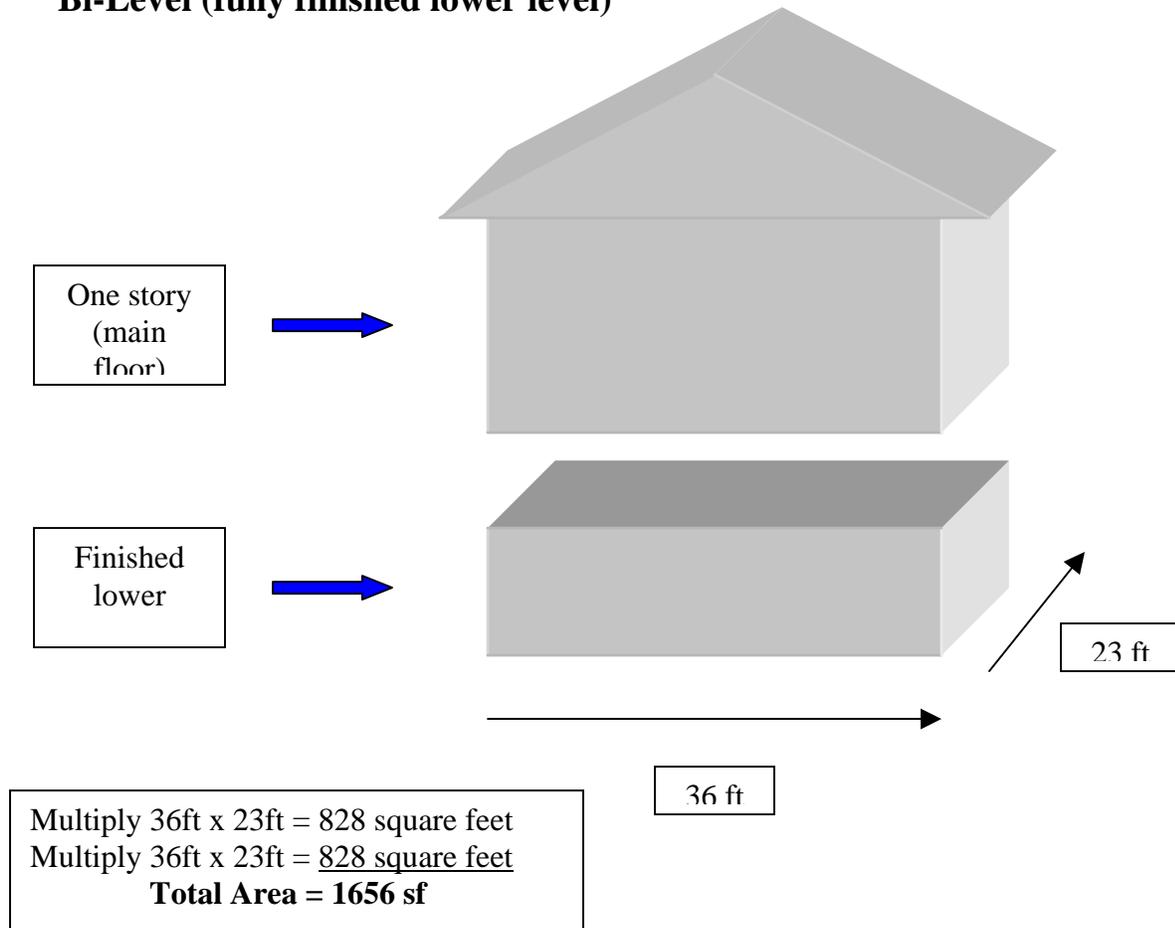
1 1/2 Story Home (no dormers)

NOTE:
If home has dormers
adjust 50% ratio to a
higher percentage or
use interior



How to Calculate Area

Bi-Level (fully finished lower level)

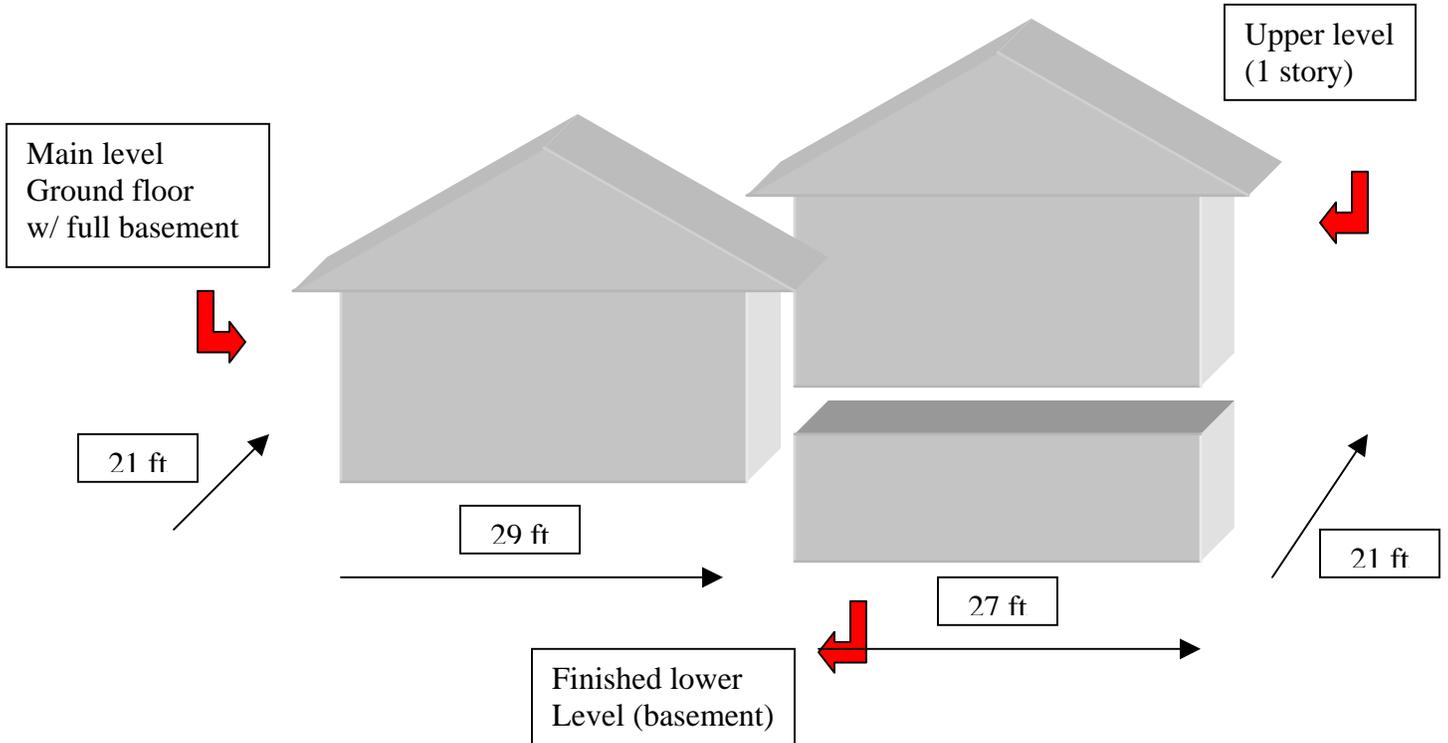


Main Floor	828 sf
Finished Bsmt	828 sf
Basement	828 sf
Total Living Area	1656 sf

NOTE:
If upon interior inspection you note that the lower level is only partially finished, take necessary interior measurements and adjust your total living area

How to Calculate Area

Tri-Level Home



Multiply $29 \times 21 = 609$ (main floor & unf basement)

Multiply $27 \times 21 = 567$ (upper floor & fin. bsmt)

Total basement area = 1176 sf

Total basement finish = 567 sf

Total 1st floor = 1176 sf

Total **Living Area** = 1743 sf (1st floor & fin. bsmt)