

DPA APPRAISAL FUNDAMENTALS WORKSHOP PRACTICE TEST (SAMPLE)

STUDY GUIDE



Prepare with structure. Pass with confidence



Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.

ALL RIGHTS RESERVED.

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	16

SAMPLE

Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

SAMPLE

- 1. Which method is characterized by lump sum costs for both horizontal and vertical construction?**
 - A. Quantity Survey
 - B. Unit-In-Place
 - C. Comparative Unit
 - D. Trended Original Cost
- 2. What is the value relation of the property under the ASL?**
 - A. It directly affects the tax rate
 - B. It is always 100%
 - C. It indicates the proportion of the property's value used for taxation
 - D. It is determined by the local government
- 3. Which type of property includes items like vehicles and equipment?**
 - A. Real property
 - B. Commercial property
 - C. Tangible Personal property
 - D. Intangible Personal property
- 4. Which of the following is an example of Tangible Personal Property?**
 - A. Patents and copyrights
 - B. Furniture and office machines
 - C. Investment shares
 - D. Land and building
- 5. How many Basic Principles of Value exist?**
 - A. 10
 - B. 8
 - C. 12
 - D. 20
- 6. What happens to values as demand increases and supply decreases?**
 - A. Values will remain unchanged
 - B. Values will decrease
 - C. Values will increase
 - D. Values will stabilize

- 7. What is the Land-Building Ratio if the selling price is \$125,000 and the ratio is 1:4?**
- A. The property value is \$25,000
 - B. The property value is \$50,000
 - C. The property value is \$125,000
 - D. The property value is \$100,000
- 8. What does the Principle of Balance state?**
- A. All properties should be valued the same
 - B. Value is created and maintained in proportion to the equilibrium attained in the amount and location of essential uses of Real Estate
 - C. The highest value is always determined by market demand
 - D. Government policies regulate the value of properties
- 9. What example illustrates Physical Curable depreciation?**
- A. Worn out flooring and leaky faucets
 - B. Outdated electrical systems and plumbing
 - C. Long-lasting foundations and structural walls
 - D. Single-pane windows and linoleum
- 10. The 4-3-2-1 Rule values the section of a property closest to the road at which percentage?**
- A. 25%
 - B. 30%
 - C. 40%
 - D. 10%

Answers

SAMPLE

1. B
2. C
3. C
4. B
5. C
6. C
7. A
8. B
9. A
10. C

SAMPLE

Explanations

SAMPLE

1. Which method is characterized by lump sum costs for both horizontal and vertical construction?

- A. Quantity Survey
- B. Unit-In-Place**
- C. Comparative Unit
- D. Trended Original Cost

The method characterized by lump sum costs for both horizontal and vertical construction is known as Unit-In-Place. This approach entails calculating the total cost of constructing a complete unit or section, which includes all necessary horizontal and vertical elements. By aggregating the costs for the individual components into a single lump sum, it simplifies the process of budgeting and planning for construction projects.

Unit-In-Place recognizes the expenses associated with on-site labor, materials, and any subcontracted work, allowing appraisers and builders to assess total project costs effectively. This method is particularly useful for large-scale construction projects where detailed breakdowns of every small component might be impractical or unnecessary. In contrast, the other methods would handle costs differently. For instance, Quantity Survey typically involves a more detailed itemization of materials and labor rather than lump sum figures. Comparative Unit draws comparisons based on standard cost figures for similar works, while Trended Original Cost adjusts past costs for inflation and other economic changes but does not centralize costs in a lump sum format.

2. What is the value relation of the property under the ASL?

- A. It directly affects the tax rate
- B. It is always 100%
- C. It indicates the proportion of the property's value used for taxation**
- D. It is determined by the local government

The correct answer highlights that the value relation of the property under the ASL (Assessment Level) indicates the proportion of the property's value that is used for taxation purposes. This means that the ASL reflects how much of the overall market value of a property is considered for tax assessments. If, for example, a property has a market value of \$300,000 and the ASL is set at 70%, then the taxable value used for determining property tax would be \$210,000. This proportion is critical for identifying how much tax revenue a local government can expect to generate from property taxes based on its assessed values. Understanding this concept is vital for appraisers and assessors, as it directly influences tax policy and revenue generation in a community. The ASL provides a standardized measure to assess what value is effectively taxable, ensuring equity in the tax system among property owners.

3. Which type of property includes items like vehicles and equipment?

- A. Real property
- B. Commercial property
- C. Tangible Personal property**
- D. Intangible Personal property

The selection of tangible personal property as the correct answer is rooted in the definition of the term itself. Tangible personal property refers to physical items that can be touched and held. Vehicles, machinery, and equipment all fall under this category because they are movable, can be owned by individuals or businesses, and have a physical presence that can be measured and assessed for value. Real property, on the other hand, involves land and anything permanently attached to it, such as buildings and fixtures. While commercial property is a subtype of real property, focusing specifically on properties used for business purposes, it still does not encompass movable items like vehicles or equipment. Intangible personal property refers to non-physical assets that represent something of value, such as stocks, bonds, or copyrights, which do not include physical objects like vehicles or equipment. Therefore, tangible personal property is the most accurate classification for vehicles and equipment.

4. Which of the following is an example of Tangible Personal Property?

- A. Patents and copyrights
- B. Furniture and office machines**
- C. Investment shares
- D. Land and building

Tangible personal property refers to physical items that can be seen and touched, as opposed to intangible assets which do not have physical substance. Furniture and office machines fit this definition perfectly. They are physical items that can be moved and have practical uses in various settings like homes and businesses. Other options, such as patents and copyrights, fall under intangible personal property because they represent legal rights rather than physical goods. Investment shares are also intangible since they represent ownership in a company but do not have any physical form. Lastly, land and buildings are classified as real property rather than personal property because they are fixed and immovable assets. Therefore, furniture and office machines are the clear examples of tangible personal property.

5. How many Basic Principles of Value exist?

- A. 10
- B. 8
- C. 12**
- D. 20

The correct answer to how many Basic Principles of Value exist is 12. These principles serve as foundational concepts in real estate appraisal and aid appraisers in assessing the value of properties. The Basic Principles of Value encompass various aspects such as utility, supply and demand, diminishing returns, and contribution among others. Each principle highlights a different aspect of value determination, and collectively they provide a comprehensive framework for evaluating how various factors influence the market value of properties. Understanding these principles is crucial for anyone involved in the appraisal process, as they guide the appraiser in analyzing data and reaching a well-supported conclusion of value. Familiarity with all twelve principles ensures a thorough and insightful approach to property appraisal.

6. What happens to values as demand increases and supply decreases?

- A. Values will remain unchanged
- B. Values will decrease
- C. Values will increase**
- D. Values will stabilize

When demand for a good or service increases while supply simultaneously decreases, a fundamental economic principle comes into play: scarcity paired with heightened demand impacts market values significantly. In such a scenario, when more people want a limited number of products or services, the competition among buyers intensifies. This competition drives up prices, ultimately leading to an increase in values. As demand rises, sellers recognize the opportunity to raise their prices due to the limited availability of the product or service, which can lead to more favorable conditions for sellers in the marketplace. This relationship is foundational to understanding market dynamics, particularly in the context of appraisals and property values, where metrics of supply and demand greatly influence overall market conditions. As buyers are willing to pay more to secure a deal in situations of scarcity, it directly translates to increased values in the market.

7. What is the Land-Building Ratio if the selling price is \$125,000 and the ratio is 1:4?

- A. The property value is \$25,000**
- B. The property value is \$50,000
- C. The property value is \$125,000
- D. The property value is \$100,000

To determine the Land-Building Ratio, it's essential to understand the meaning of the ratio itself. A Land-Building Ratio of 1:4 indicates that for every part of land value, there are four parts of building value. Therefore, to find the individual values of land and building, one must consider the selling price in relation to the ratio. In this case, the total value of the property, which is the selling price, is \$125,000. The components of this total value are defined by the ratio. The ratio can be broken down into parts to find the sum of the parts: 1 (land) + 4 (building) = 5 total parts. To find the value of one part, you divide the total value by the number of parts: $\$125,000 / 5 = \$25,000$. Now we can assign values based on the ratio. The land value is 1 part, so: 1 part (land) = \$25,000. Therefore, the value of the land according to the Land-Building Ratio of 1:4, given a selling price of \$125,000, is indeed \$25,000. This aligns perfectly with the established ratio and the

8. What does the Principle of Balance state?

- A. All properties should be valued the same
- B. Value is created and maintained in proportion to the equilibrium attained in the amount and location of essential uses of Real Estate**
- C. The highest value is always determined by market demand
- D. Government policies regulate the value of properties

The Principle of Balance emphasizes that the value of real estate is influenced by the equilibrium achieved between various uses of land and the amenities available in a certain area. This principle reflects how a well-balanced mix of residential, commercial, and public spaces contributes to a community's overall attraction and functionality, ultimately enhancing property values. When different land uses are in proportion and appropriately located, this balance supports efficient land utilization and access to necessary services and amenities, thereby maintaining or even enhancing the value of properties. For example, if an area has too much commercial development and not enough residential or green spaces, it may detract from the quality of life, leading to a potential decrease in property values. Conversely, a harmonious layout that incorporates various essential uses can enhance desirability, leading to increased property values. This principle is foundational in real estate appraisal because it highlights the importance of maintaining an optimal relationship between different types of property use, which can inform appraisers' assessments and conclusions about value within a community or market setting.

9. What example illustrates Physical Curable depreciation?

- A. Worn out flooring and leaky faucets**
- B. Outdated electrical systems and plumbing
- C. Long-lasting foundations and structural walls
- D. Single-pane windows and linoleum

Physical curable depreciation refers to the loss in property value that is caused by physical deterioration, which can be corrected or repaired. The correct example showcasing physical curable depreciation is the choice that mentions worn-out flooring and leaky faucets, as these are specific repairs that can be made to restore the property to its original or better condition. Worn-out flooring can be replaced, and leaky faucets can be fixed, therefore these issues can be considered curable because they have a reasonable cost associated with their repair compared to the increase in property value that would result from those repairs. In contrast, external options involve either aspects that may be outdated but do not directly involve physical deterioration, such as outdated systems, or options like long-lasting foundations, which typically indicate minimal or no depreciation. Single-pane windows and linoleum, while they may show wear and tear, are less focused on the immediate and actionable repairs that characterize physical curable depreciation. Thus, the example of worn-out flooring and leaky faucets most effectively illustrates this concept.

10. The 4-3-2-1 Rule values the section of a property closest to the road at which percentage?

- A. 25%
- B. 30%
- C. 40%**
- D. 10%

The 4-3-2-1 Rule is a guideline used in property valuation that helps assess the value of different sections of a property based on their proximity to the street. According to this rule, the section of the property that is closest to the road is valued at 40% of the overall property value. This percentage reflects the principle that frontal lots, or those directly adjacent to the road, generally have higher utility and exposure, making them more valuable. In practical terms, when applying the 4-3-2-1 Rule, the valuation is tiered in such a way that the closest portion draws a premium, while areas further from the road receive progressively lower valuations, with the farthestmost section assigned the least value. This structure accounts for factors like accessibility, visibility, and desirability that often enhance a property's market appeal when it is closer to the street. Thus, recognizing the importance of the proximity to the road in appraisal methodology is crucial for sound property valuation practices.

SAMPLE

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://dpaappraisalfundamentals.examzify.com>

We wish you the very best on your exam journey. You've got this!

SAMPLE