REALEX

QUESTIONNAIRE 2

PROFESSIONAL APPRAISAL PRACTICE

Original Practice Questions and Explained Answers

600 ORIGINAL QUESTIONS

400 Topic-Practice Questions
Two 100-Item Mock Examinations



2027 PREPARATION EDITION

Russell Famisaran

Independent Examination Preparation Publication

Copyright and edition notice

REALEX • Questionnaire 2
Professional Appraisal Practice
2027 Preparation Edition

© 2026 Russell Famisaran
All rights reserved in the original editorial material, subject to applicable law.

The original questions, cases, explanations, worksheets and editorial arrangement are prepared for educational use. Reproduction or redistribution of this material requires the rights holder's permission except where permitted by applicable law. Rights in cited standards, official publications and other third-party material remain with their respective rights holders.

REALEX is an independent publication. It is not an official publication of the Professional Regulation Commission, the Professional Regulatory Board of Real Estate Service or a valuation standards body. Original practice questions are not presented as actual or recalled PRC examination questions. No examination pass, ranking, eligibility or regulatory approval is promised.

Edition and dates

The 2027 label identifies the preparation edition. The examination structure used here is grounded in the published July 2026 PRC program. The applicable 2027 program and detailed TOS remain to be verified for the actual examination sitting. The nine topic allocations and 100-item mock-form design are editorial choices, not official PRC topic weights or item counts.

This front matter was prepared on 13 October 2026. Each question's source notes and content version govern date-sensitive material. Supplied numerical inputs do not establish actual market rates, adopted local tax parameters or property permissions.

Using the volumes

Questionnaire 1 contains the questions and solutions for Fundamentals. Questionnaire 2 contains those for Professional Appraisal Practice. Each volume carries its own answer key and explanations. When consulting a solution, match the volume, section or form, item number and content version.

The accompanying Lessons book supplies the fuller teaching explanations. Read the referenced lesson when a solution reveals a gap in your understanding.

Preface

This volume develops the practical reasoning needed to choose and apply an appraisal approach, investigate evidence, check a model and communicate a supported conclusion. Its questions connect the professional task to the stated interest, valuation date, available data and intended use.

The practice sequence follows the Professional Appraisal Practice subject of the published PRC examination program. It connects to the 36-lesson REALEX course, allowing you to move from an unfamiliar question to a focused reading task and back to a fresh attempt.

The sections cover appraisal approaches, research and procedures, practical mathematics, report writing, machinery and equipment, specialized cases, assessment and tax application, GIS and current events. A case can test several skills, but each question has one primary topic so its count and lesson route remain clear.

Study the explanation after you commit to an answer. The correct option matters, but so do the reasons the other options fail. A distractor may expose an adjustment in the wrong direction, an incompatible income and rate, a cost deducted twice, a missing tax condition or a spatial result mistaken for legal proof.

The topic sections support learning and targeted repair. The two mock forms support an uninterrupted attempt across the subject. Keep their solutions closed until you finish. Then review both incorrect answers and correct answers reached by guessing.

Accuracy requires attention to dates. A statute, implementing rule, valuation standard, agency notice and proposed change are different kinds of evidence. Use the rule relevant to the question’s facts and date, and preserve the version attached to your attempt.

Keep a short error record. State what went wrong, identify the lesson or source that repairs it and test the same competency under changed facts. Repeating an answer letter is less informative than explaining why the conclusion changes.

Russell Famisaran
13 October 2026

Contents and navigation

Use these complete-volume page numbers with the permanent item IDs. All answer keys and explanations are in this volume, within the same section or mock as their questions.

Book page	Contents
1	Front cover
2–12	Front matter study instructions and reusable forms
4	Contents and navigation
5	Examination coverage and lesson map
13	P1 Appraisal Approaches 100 questions
73	P2 Valuation Procedures and Research 48 questions
110	P3 Practical Appraisal Mathematics 60 questions
154	P4 Appraisal Report Writing 40 questions
186	P5 Machinery and Equipment 40 questions
218	P6 Cases and Specialized Valuation 40 questions
250	P7 Assessment and Tax Application 40 questions
282	P8 Geographic Information Systems 20 questions
303	P9 Current Events and Valuation Updates 12 questions
319	MA Mock Examination A 100 questions
383	MB Mock Examination B 100 questions
447	Back matter and section locator
448	Lesson navigation index
453	Selected glossary
455	Formula reference and calculation controls
457	Consolidated source register
466	Correction and change record
467	Edition assembly review record
468	Study completion and mock comparison
469	Edition and source currency
470	Back cover

600 original questions: 400 topic-practice items and two fresh 100-item mocks. Match each item version and printed option order to its key.

Examination coverage and lesson map

The published July 2026 PRC program assigns 50% to Fundamentals of Real Estate Appraisal and 50% to Professional Appraisal Practice. Each subject occupies a four-hour session. This volume addresses Professional Appraisal Practice. The following topic labels paraphrase that subject's coverage. [FM1]

Code	Study area	Lessons	Topic items
P1	Appraisal approaches	24–28	100
P2	Procedures and research	7, 9, 23, 28, 31, 34	48
P3	Appraisal mathematics	6–7, 24–27, 29, 32–33	60
P4	Report writing	34, 36	40
P5	Machinery and equipment	29	40
P6	Cases and specialized valuation	27–28, 30, 36	40
P7	Assessment and tax application	21–22, 29, 31–32	40
P8	GIS map reading and plotting	33	20
P9	Current events	35	12

Professional practice coverage

Approaches and methods must fit the asset, interest, date, use and evidence. The professional sections connect analysis to investigation, reconciliation and reporting. Assessment and tax questions use their stated legal conditions; GIS questions distinguish spatial measurements from survey or title authority.

Current-events items identify the source date and the relevant development. A proposal, issued rule, effective requirement and statistical observation are different evidence categories. Their dated context remains explicit in each question.

Practice allocation

Each 100-item mock contains P1: 25; P2: 12; P3: 15; P4: 10; P5: 10; P6: 10; P7: 10; P8: 5; P9: 3. These editorial quotas total 100. The nine topic-practice sections total 400; two fresh forms add 200.

FM1 • Structural source

PRC, Program of the Real Estate Appraisers Licensure Examination on July 7, 2026, page 1: subjects, weights, session times and coverage.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

How to use the book

1 • Read, then attempt

Study the mapped lesson or revisit its key ideas. Attempt the topic questions before reading their answers. Write the section code and item version on your answer sheet. Keep calculations and evidence notes beside your responses.

2 • Commit and mark confidence

Choose one answer for every item you attempt. Record high, medium or low confidence in your notebook. A correct low-confidence answer deserves review; an incorrect high-confidence answer usually exposes a misconception worth repairing promptly.

3 • Review the whole explanation

Check the key only after finishing the intended set. Read the decisive reasoning and the distractor explanations. Identify the fact, rule or calculation that distinguishes the best answer from the nearest alternative.

4 • Repair the cause

Classify the error as a premise or interest mistake, a source or date mistake, an evidence gap, a model or timing mistake, an arithmetic or unit mistake, or a reading mistake. Revisit the specified lesson, then explain the answer without looking at the options.

5 • Retest under changed facts

Use a fresh question or a changed-facts exercise. Record whether you can reconstruct the reasoning. Repeating a previously seen question can help recall, but its score should be labelled as a repeated attempt.

6 • Sit the mock forms

Complete Mock A after working across all nine sections. Repair weaknesses before Mock B. Each form is designed to contain fresh items. Pair Questionnaire 1 Mock A with Questionnaire 2 Mock A for a two-subject practice examination; pair the B forms in the same way.

Three useful records

Record	What to preserve
Attempt record	Form or section, item version, date, elapsed time and score.
Working record	Selected answer, confidence, calculation and decisive premise.
Repair record	Error cause, supporting lesson or source, new explanation and fresh retest.

The book can support a structured study routine without prescribing a fixed number of daily hours. Choose a manageable set, complete its review and close the identified weakness before relying on a higher repeated-attempt score.

Question and mock-examination instructions

Selecting an answer

Each item has four options, A–D, and one best answer under its stated facts. Read the task before the options. Identify the property interest, purpose, date and material conditions. Use the supplied facts; do not add facts that would change the premise.

If a question asks for the incorrect statement or an exception, keep that task visible while considering each option. For a linked case, read the common information carefully, then solve each item from the relevant data rather than assume an earlier answer is correct.

Numerical items

Write the model before inserting numbers. Keep units, periods, gross and net amounts, rate definitions and cash-flow timing consistent. Retain precision through intermediate steps and round only as directed. A supplied percentage applies to the stated base, not automatically to every subtotal.

Topic-practice conditions

Use the topic sections for learning. Record whether your attempt was open-book or closed-book, timed or untimed, first or repeated. Your review should examine both incorrect answers and uncertain correct answers.

Mock conditions

Use a quiet setting, a blank answer sheet and a timer. Keep the solutions closed. A four-hour session can rehearse the published 2026 subject time envelope. The 100-item mock size is an editorial design, not a verified official item count. Mark skipped items for return and finish the form before consulting the key.

For this book’s practice scoring, award one point for each correct answer and zero for a wrong, blank or multiply marked response. No negative marking is used in these practice forms. This is a book scoring convention, not a statement of official PRC marking procedures.

Calculator and actual examination requirements

Practise calculations with the calculator you intend to use, after checking that the applicable PRC program permits the exact model. Do not infer approval from a product description or a model used in an example. Before an actual sitting, follow the current program, Notice of Admission and permitted-aid instructions. [FM1, instructions on page 2]

The forms in this book are practice answer sheets. They do not reproduce or replace an official examination response sheet.

Notation and calculation conventions

Notation	Meaning
₱; m	Philippine pesos; million when attached to an amount.
m²; ha	Square metres; hectares. 1 ha = 10,000 m².
%; ^	Percent as a decimal multiplier; ^ denotes a power.
PV; FV	Present value; future value at the stated date.
i; n; CF(t)	Rate per matching period; number of periods; signed cash flow at time t.
PGI; EGI	Potential gross income; effective gross income.
NOI; R	Net operating income; compatible capitalization rate as defined.
DCF; IRR	Discounted cash flow; internal rate of return. Legal IRR means implementing rules and regulations.
RC; DRC	Replacement or reproduction cost as specified; depreciated replacement cost.
FMV; AV; AL	Fair market value; assessed value; applicable assessment level in the stated tax model.
SD; CV	Standard deviation; coefficient of variation under the defined data convention.
CRS; E; N	Coordinate reference system; easting; northing in a defined spatial reference.
PVS; IVS	Philippine Valuation Standards; International Valuation Standards.
SMV; RPVARA	Schedule of Market Values; Real Property Valuation and Assessment Reform Act.

Interpret the amount before calculating

Distinguish a total price from a unit rate, an annual flow from a one-time payment, and a nominal future cost from an allowance already expressed at present value. Read the definition attached to a rate. A discount rate and a capitalization rate are not interchangeable merely because both are percentages.

Report enough working to reconstruct the answer

Show the inputs, formula, units and result. Keep unrounded intermediates unless the item directs otherwise. Where options are rounded, select the result consistent with the instructed rounding. A teaching input remains a supplied assumption; it is not evidence of an actual adopted tax rate or market adjustment.

Dates and interests

The valuation date, inspection date, report date, transaction date and rule’s effectivity date may differ. Value the specified interest. Contract rent, market rent, property value, assessed value and tax liability answer different questions.

Answer keys, explanations and source notes

Find the correct record

The topic items use identifiers such as Q2-P1-001. Mock identifiers use Q2-MA-001 and Q2-MB-001. The prefix identifies this volume; the middle element identifies the topic or mock form; the last element identifies the item. Local question numbering starts at 1 within each section or form.

Always match the permanent identifier and content version when reviewing an answer. The compact key gives the correct letter; the detailed solution supplies the answer text and explains every option. A changed option order must be reflected in that version’s key.

Read the solution in this order

Element	What it helps you establish
Correct response	Which option answers the actual task.
Decisive reasoning	The fact, principle or rule that controls the answer.
Distractor explanations	Why each alternative fails under the stated facts.
Worked solution	The formula, inputs, timing, units and rounding for a numerical answer.
Lesson and source route	Where to repair the competency and verify a controlling proposition.
Repair cue	The misconception to address before a fresh attempt.

Source use

Source notes identify the relevant authority and, where needed, the section, clause, page or reference period. Distinguish an operative instrument from a proposal, explanatory notice or statistical release. Read legal and standards wording in context; a short solution is a teaching explanation rather than a replacement for the source.

Corrections and later developments

Record a suspected issue using its item identifier, version, selected response and supporting reasoning. Separate an original mistake from a later rule change. Retain the original attempt version so its score and explanation remain interpretable.

When a later edition changes a question, recheck all affected options, calculations, answer sheets and explanations. The correction record should identify the replacement wording and the effect on the answer.

Reusable topic-practice answer sheet

Name _____ Date _____
Section _____ Item version _____ Attempt no. _____
First / repeated _____ Open / closed book _____ Time used _____

This sheet holds 40 responses. Use another copy for a longer section. Fill in the actual local item numbers before marking A, B, C or D. Record working and confidence in a notebook.

Row / item no.	Select one	Row / item no.	Select one
01 _____	A B C D	21 _____	A B C D
02 _____	A B C D	22 _____	A B C D
03 _____	A B C D	23 _____	A B C D
04 _____	A B C D	24 _____	A B C D
05 _____	A B C D	25 _____	A B C D
06 _____	A B C D	26 _____	A B C D
07 _____	A B C D	27 _____	A B C D
08 _____	A B C D	28 _____	A B C D
09 _____	A B C D	29 _____	A B C D
10 _____	A B C D	30 _____	A B C D
11 _____	A B C D	31 _____	A B C D
12 _____	A B C D	32 _____	A B C D
13 _____	A B C D	33 _____	A B C D
14 _____	A B C D	34 _____	A B C D
15 _____	A B C D	35 _____	A B C D
16 _____	A B C D	36 _____	A B C D
17 _____	A B C D	37 _____	A B C D
18 _____	A B C D	38 _____	A B C D
19 _____	A B C D	39 _____	A B C D
20 _____	A B C D	40 _____	A B C D

After the attempt

Correct _____ Attempted _____ Assigned set size _____
Set percentage = correct ÷ assigned set size × 100: _____
Weakest competency _____
Repair lesson / action _____
Fresh retest date and evidence _____

For a partial set, state its assigned size before scoring. A section score uses the full section denominator, including blanks. Do not report accuracy among attempted items as the full-section percentage.

Reusable 100-item mock answer sheet

Name _____ Date _____
Form MA / MB _____ Version _____ Attempt no. _____
Started _____ Finished _____ Elapsed time _____

Mark one response per item. Use this form for either mock, with its exact form and version recorded above. Keep solutions closed until the attempt is complete.

Item	Answer	Item	Answer	Item	Answer	Item	Answer
1	A B C D	26	A B C D	51	A B C D	76	A B C D
2	A B C D	27	A B C D	52	A B C D	77	A B C D
3	A B C D	28	A B C D	53	A B C D	78	A B C D
4	A B C D	29	A B C D	54	A B C D	79	A B C D
5	A B C D	30	A B C D	55	A B C D	80	A B C D
6	A B C D	31	A B C D	56	A B C D	81	A B C D
7	A B C D	32	A B C D	57	A B C D	82	A B C D
8	A B C D	33	A B C D	58	A B C D	83	A B C D
9	A B C D	34	A B C D	59	A B C D	84	A B C D
10	A B C D	35	A B C D	60	A B C D	85	A B C D
11	A B C D	36	A B C D	61	A B C D	86	A B C D
12	A B C D	37	A B C D	62	A B C D	87	A B C D
13	A B C D	38	A B C D	63	A B C D	88	A B C D
14	A B C D	39	A B C D	64	A B C D	89	A B C D
15	A B C D	40	A B C D	65	A B C D	90	A B C D
16	A B C D	41	A B C D	66	A B C D	91	A B C D
17	A B C D	42	A B C D	67	A B C D	92	A B C D
18	A B C D	43	A B C D	68	A B C D	93	A B C D
19	A B C D	44	A B C D	69	A B C D	94	A B C D
20	A B C D	45	A B C D	70	A B C D	95	A B C D
21	A B C D	46	A B C D	71	A B C D	96	A B C D
22	A B C D	47	A B C D	72	A B C D	97	A B C D
23	A B C D	48	A B C D	73	A B C D	98	A B C D
24	A B C D	49	A B C D	74	A B C D	99	A B C D
25	A B C D	50	A B C D	75	A B C D	100	A B C D

After checking: correct ____ / 100; percentage ____%; blank ____; wrong ____; multiple marks ____.
Conditions or interruption _____
Review priority _____

For a 100-item form, the correct count equals the percentage. Preserve the sheet and the exact key version used for scoring.

Score, error and study record

Name _____ Study period _____

Section / form	Score / total	Date / version	Repair priority
P1	____ / 100	_____	_____
P2	____ / 48	_____	_____
P3	____ / 60	_____	_____
P4	____ / 40	_____	_____
P5	____ / 40	_____	_____
P6	____ / 40	_____	_____
P7	____ / 40	_____	_____
P8	____ / 20	_____	_____
P9	____ / 12	_____	_____
Mock A	____ / 100	_____	_____
Mock B	____ / 100	_____	_____

Scoring and interpretation

For any full section or form: percentage = correct answers ÷ total assigned questions × 100. Compare first attempts under similar conditions. A topic percentage and a mixed-subject percentage describe different sets; retain both the numerator and denominator.

For paired mock forms, the combined practice result is 0.5 × Questionnaire 1 percentage + 0.5 × Questionnaire 2 percentage, reflecting the published 2026 subject weights. Report each subject separately. A practice score is evidence for targeted study, not a prediction of examination ranking or a substitute for official passing requirements. [FM1]

Error-repair entry

Item ID / version _____ Original response _____
Cause: premise / source / evidence / model / arithmetic / reading _____
Decisive fact or rule _____
Why my selected option failed _____
Lesson or authoritative source _____
Repair completed _____ Fresh retest _____ Outcome _____

Next action

Highest-priority weakness _____
Specific practice or reading task _____
Completion evidence and next review date _____

Section 1 Appraisal Approaches

QUESTIONNAIRE 2 • Professional Appraisal Practice

100 original four-option questions
Q2-P1-001 to Q2-P1-100 • Content version 1.0
2027 Preparation Edition • Prepared 13 October 2026

This section applies Lessons 24–28 to sales comparison, cost, income capitalization, discounted cash flow, development residuals and reconciliation. The task is to choose compatible evidence and models, make supported adjustments and explain what each indication establishes.

Instructions

Select one best answer A–D under the stated facts. Attempt all 100 questions or one ten-item set at a time. Keep keys and explanations closed until review. Record elapsed time, first or repeated attempt and open- or closed-book conditions. No official PRC time allowance is assigned to this topic section.

Calculation conventions

All amounts, rates, weights, permissions and timings are fictional supplied inputs. Carry intermediate precision and use the rounding stated in each item or implied by its rounded options. Amounts marked m are millions; m^2 refers to area. Unless otherwise stated, annual flows occur at year-end and land is not included in an improvement-only amount.

NOI precedes debt service, owner income tax, accounting depreciation and separately stated capital work; owner-paid property tax is an operating expense. A stated age-life fraction or sequential loss model is an exercise premise, not a universal depreciation rule. Fixed weights and arithmetic means test computations; they do not prescribe professional reconciliation.

Book pages	Contents
14	Coverage and lesson routes
15–16	Answer sheets for 50 items each
17–41	100 questions four per page
42–43	Compact keys for 50 items each
44–68	Answers and per-option explanations
69–70	Score and error-repair records
71–72	Selected sources and currency notes

The 100-item topic allocation is editorial within Professional Appraisal Practice. The published 2026 program identifies methodology of appraisal approaches in that subject. The applicable 2027 program and detailed TOS remain to be verified. These are original review questions, not actual or recalled PRC questions. [S5]

Section P1 Coverage and Lesson Routes

Set	Items	Competency	Lessons
A	1–10	Sales evidence and units of comparison	24
B	11–20	Comparable adjustments and market extraction	24
C	21–30	Cost approach and equivalent utility	25
D	31–40	Depreciation and obsolescence	25
E	41–50	Income construction and lease analysis	26
F	51–60	Capitalization rates and income models	26
G	61–70	Discounted cash flow and timing	27
H	71–80	Terminal value risk and sensitivity	27
I	81–90	Development and land residual models	27, 28
J	91–100	Reconciliation and model review	28

Study routes

24 • Sales comparison: verified transactions, comparable rights, metrics and adjustment support.
25 • Cost approach: equivalent utility, cost scope and distinct losses in value.
26 • Income capitalization: property operations, leases and compatible income-rate definitions.
27 • Discounted cash flow: dated receipts, capital outlays, terminal amounts and development residuals.
28 • Reconciliation: consistent premises, evidential strength, sensitivity and model review.

Four checks before accepting an indication

Confirm the interest, use premise and date. Match the income, cost or transaction measure to its denominator. Trace included components to prevent omissions or double counting. Distinguish a correctly computed scenario from an independently supported property opinion.

Sixty-six calculation or numerical-comparison items have been independently recomputed. All 100 records have been checked against Questionnaire 1’s 600 stems. Difficulty intentions are editorial and are not statistically calibrated.

Section P1 Answer Sheet

Items 1–50 • Version 1.0

Name _____ Date _____
Attempt no. _____ First / repeated _____
Open / closed book _____ Started _____ Finished _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	14	A B C D	27	A B C D	40	A B C D
2	A B C D	15	A B C D	28	A B C D	41	A B C D
3	A B C D	16	A B C D	29	A B C D	42	A B C D
4	A B C D	17	A B C D	30	A B C D	43	A B C D
5	A B C D	18	A B C D	31	A B C D	44	A B C D
6	A B C D	19	A B C D	32	A B C D	45	A B C D
7	A B C D	20	A B C D	33	A B C D	46	A B C D
8	A B C D	21	A B C D	34	A B C D	47	A B C D
9	A B C D	22	A B C D	35	A B C D	48	A B C D
10	A B C D	23	A B C D	36	A B C D	49	A B C D
11	A B C D	24	A B C D	37	A B C D	50	A B C D
12	A B C D	25	A B C D	38	A B C D		
13	A B C D	26	A B C D	39	A B C D		

After the attempt

Correct ____ / 50; blank ____; wrong ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson or calculation _____

Mark one response per item. Use separate working paper for calculations. Combine both halves for the section score. This book awards one point for a correct answer and zero for wrong, blank or multiple responses; that is an editorial practice convention.

Section P1 Answer Sheet

Items 51–100 • Version 1.0

Name _____ Date _____
Attempt no. _____ First / repeated _____
Open / closed book _____ Started _____ Finished _____

Item	Response	Item	Response	Item	Response	Item	Response
51	A B C D	64	A B C D	77	A B C D	90	A B C D
52	A B C D	65	A B C D	78	A B C D	91	A B C D
53	A B C D	66	A B C D	79	A B C D	92	A B C D
54	A B C D	67	A B C D	80	A B C D	93	A B C D
55	A B C D	68	A B C D	81	A B C D	94	A B C D
56	A B C D	69	A B C D	82	A B C D	95	A B C D
57	A B C D	70	A B C D	83	A B C D	96	A B C D
58	A B C D	71	A B C D	84	A B C D	97	A B C D
59	A B C D	72	A B C D	85	A B C D	98	A B C D
60	A B C D	73	A B C D	86	A B C D	99	A B C D
61	A B C D	74	A B C D	87	A B C D	100	A B C D
62	A B C D	75	A B C D	88	A B C D		
63	A B C D	76	A B C D	89	A B C D		

After the attempt

Correct ____ / 50; blank ____; wrong ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson or calculation _____

Mark one response per item. Use separate working paper for calculations. Combine both halves for the section score. This book awards one point for a correct answer and zero for wrong, blank or multiple responses; that is an editorial practice convention.

Set A Sales evidence and units of comparison

Items 1–4 • Select one best answer.

1. Q2-P1-001 • Set A

Three sales lie close to the subject, but their consideration includes operating businesses. The assignment values only the real property. What must occur before extracting a property unit rate?

A. Deduct every seller's accounting goodwill regardless of the transaction.

B. Establish a supported allocation to the relevant real-property interest.

C. Reject sales solely because businesses were included, without investigating.

D. Divide the full consideration by floor area without allocation.

2. Q2-P1-002 • Set A

A vacant site has no direct income, but several reliable sales of similarly permitted sites are available. Which evidence most directly supports a market-approach enquiry?

A. The owner's preferred annual return alone.

B. Verified sale prices reconciled for relevant rights and site differences.

C. The total cost of an unrelated factory.

D. A capitalization rate applied to invented rent.

3. Q2-P1-003 • Set A

A verified warehouse sold for ₱14.4m with 1,200 m² of comparable gross floor area. What sale price per m² of that floor area is extracted before adjustments?

A. ₱1,200/m².

B. ₱17,280/m².

C. ₱12,000/m².

D. ₱14,400/m².

4. Q2-P1-004 • Set A

A land sale has a long remaining lease burden, while the subject interest is unencumbered. Which comparable treatment is strongest?

A. Assume all leased sales are necessarily unusable.

B. Add the tenant's full business revenue to the sale price.

C. Ignore the lease if the lot areas are equal.

D. Investigate the lease's effect and reconcile the interest difference.

Set A Sales evidence and units of comparison

Items 5–8 • Select one best answer.

5. Q2-P1-005 • Set A

A sale price is ₱9m for a parcel stated as 0.15 ha. What price per m² follows before any adjustment?

A. ₱600/m².

B. ₱1,350/m².

C. ₱60,000/m².

D. ₱6,000/m².

6. Q2-P1-006 • Set A

Six advertisements copy the same broker's listing. What does their presence establish about the count of independent sale observations?

A. They may represent one listing, not six independent completed transactions.

B. Six completed sales because six pages were collected.

C. A statistically independent sample merely because the logos differ.

D. No market information of any kind.

7. Q2-P1-007 • Set A

A supported real-property allocation is ₱10.5m after excluding ₱1.5m of movable stock from a ₱12m package. The relevant building area is 700 m². Which unit rate uses that allocation?

A. ₱15,000/m².

B. About ₱17,143/m².

C. About ₱12,857/m².

D. ₱21,429/m².

8. Q2-P1-008 • Set A

The closest sale has unverified cash terms; a slightly more distant sale has verified equivalent rights and relevant market characteristics. What should guide their evidential weighting?

A. Distance alone must determine the highest weight.

B. Every verified sale must receive identical weight.

C. Relevance and reliability together, not distance alone.

D. The highest price must always receive the highest weight.

Sets A and B Practice Questions

Items 9–12 • Select one best answer.

9. Q2-P1-009 • Set A

A shop sale is ₱7.2m and its verified annual gross rent is ₱720,000. What annual gross-rent multiplier is extracted?

A. 0.10.

B. 10.

C. 12.

D. 100.

10. Q2-P1-010 • Set A

A subdivision sale's unit rate is based on net saleable area, while the subject's figure uses gross project area including reserved roads. Which repair is necessary?

A. Apply the rate directly because both are in m².

B. Multiply the rate by both areas and add the answers.

C. Delete reserved roads from legal title area automatically.

D. Reconcile the area definitions before applying the unit evidence.

11. Q2-P1-011 • Set B

An otherwise equivalent comparable sold for ₱8.0m. It has a superior feature worth a supported ₱0.6m more than the subject. What adjusted comparable indication follows under an additive convention?

A. ₱8.6 million.

B. ₱7.4 million.

C. ₱0.6 million.

D. ₱8.0 million.

12. Q2-P1-012 • Set B

A comparable sold for ₱6.5m but lacks a subject feature with supported contributory value ₱0.4m. What additive indication follows?

A. ₱6.1 million.

B. ₱6.5 million.

C. ₱7.3 million.

D. ₱6.9 million.

Set B Comparable adjustments and market extraction

Items 13–16 • Select one best answer.

13. Q2-P1-013 • Set B

A verified comparable's cash-equivalent base is ₱5m. Apply a stipulated 4% time adjustment to that base, followed by a ₱150,000 location deduction. What adjusted amount results?

A. ₱5.05 million.

B. ₱4.65 million.

C. ₱5.044 million.

D. ₱5.35 million.

14. Q2-P1-014 • Set B

An additive adjustment grid uses a ₱10m base, a +3% location adjustment and a −2% condition adjustment, each defined on the same base. What final indication follows?

A. ₱10.1 million.

B. ₱9.5 million.

C. ₱10.5 million.

D. ₱10.094 million.

15. Q2-P1-015 • Set B

A grid expressly requires successive +10% and −5% adjustments to a ₱4m amount. What result follows?

A. ₱4.18 million.

B. ₱4.20 million.

C. ₱4.40 million.

D. ₱3.42 million.

16. Q2-P1-016 • Set B

In a controlled matched pair, two otherwise equivalent parcels sold for ₱3.8m and ₱4.1m. Only the second has the feature being studied. What extracted contribution follows from these stipulated facts?

A. ₱410,000.

B. ₱3.8 million.

C. ₱7.9 million.

D. ₱300,000.

Set B Comparable adjustments and market extraction

Items 17–20 • Select one best answer.

17. Q2-P1-017 • Set B

A cash-equivalent property price is stipulated as ₱8.7m after excluding a ₱0.3m seller-financing benefit from a ₱9m headline. Then subtract a supported ₱0.5m comparable superiority. What indication follows?

A. ₱8.5 million.

B. ₱8.2 million.

C. ₱8.8 million.

D. ₱7.9 million.

18. Q2-P1-018 • Set B

Three stipulated comparable indications are ₱20m, ₱22m and ₱25m, with fixed arithmetic weights 50%, 30% and 20%. What weighted result is requested?

A. ₱23.4 million.

B. ₱21.6 million.

C. ₱22 million.

D. About ₱22.33 million.

19. Q2-P1-019 • Set B

A stipulated adjusted site rate is ₱18,000/m². The subject has 650 m² measured on the same basis. What rate-based indication results?

A. ₱18 million.

B. ₱27.69 million.

C. ₱11.7 million.

D. ₱1.17 million.

20. Q2-P1-020 • Set B

An adjustment grid requires large offsetting changes to every sale, while a smaller-adjustment set has reliable equivalent rights and utility. What further selection question is material?

A. Whether the first set remains sufficiently comparable and its adjustments sufficiently supported.

B. A fixed net-adjustment cutoff supplied by neither scope nor source.

C. The smaller-adjustment set must be rejected because it changes less.

D. Large positive and negative changes always cancel all uncertainty.

Set C Cost approach and equivalent utility

Items 21–24 • Select one best answer.

21. Q2-P1-021 • Set C

A school building is being valued using the cost approach. Its historic design includes obsolete costly details not needed for equivalent service. What estimate best matches a modern-equivalent replacement premise?

A. Current cost of providing equivalent educational utility with appropriate deductions.

B. All original invoices without updating or analysis.

C. The owner's sentimental preference as construction cost.

D. A replica estimate automatically labeled replacement cost.

22. Q2-P1-022 • Set C

An improvement cost schedule includes construction but excludes professional fees and other relevant indirect development costs. What completeness review is required?

A. Omit indirect costs whenever they were paid by the owner.

B. Treat all financing and profit allowances as automatically identical costs.

C. Add a universal indirect-cost percentage without evidence.

D. Identify the relevant typical-participant cost components for the stated equivalent asset.

23. Q2-P1-023 • Set C

A stipulated cost model has land ₱5m, replacement cost new ₱12m and total nonoverlapping improvement depreciation ₱3m. What property indication follows?

A. ₱17 million.

B. ₱9 million.

C. ₱14 million.

D. ₱20 million.

24. Q2-P1-024 • Set C

A new-equivalent building needs 800 m² at ₱28,000/m² plus separately stated ₱1.6m relevant indirect costs. No depreciation or land is included. What cost-new amount results?

A. ₱2.4 million.

B. ₱24.0 million.

C. ₱25.6 million.

D. ₱22.4 million.

Set C Cost approach and equivalent utility

Items 25–28 • Select one best answer.

25. Q2-P1-025 • Set C

A supported land indication is ₱7m. Depreciated building contribution is ₱9m and separately appraised site improvements add ₱0.8m; no overlap is stipulated. What summation results?

A. ₱17.6 million.

B. ₱9.8 million.

C. ₱16.8 million.

D. ₱16 million.

26. Q2-P1-026 • Set C

An estimate includes landscaping within the siteworks cost, then the analyst adds the same landscaping amount as another component. Which review is needed?

A. Classify the duplicate as physical depreciation without investigating.

B. Retain both because a cost approach must be conservative.

C. Remove the duplicate component or reconcile its actual separate scope.

D. Deduct the landscaping from land area instead.

27. Q2-P1-027 • Set C

The original structure cannot provide its required service without preserving a particular heritage configuration. What cost-premise question is relevant?

A. The historical building cost is automatically today's reproduction cost.

B. Whether equivalent utility in this case requires reproducing that configuration.

C. Replacement cost must always ignore the required configuration.

D. Every heritage structure must have zero value.

28. Q2-P1-028 • Set C

Land is ₱4m. Improvement cost new is ₱15m; the stipulated retained improvement proportion is 70%. What total cost indication results, with no other components?

A. ₱13.3 million.

B. ₱19 million.

C. ₱8.5 million.

D. ₱14.5 million.

Sets C and D Practice Questions

Items 29–32 • Select one best answer.

29. Q2-P1-029 • Set C

A replacement-cost model already uses an efficient modern layout. An analyst deducts the full cost of removing obsolete features that are absent from that modern equivalent. What must be checked?

A. Whether the deduction repeats a functional loss already excluded by the cost premise.

B. Whether a cost approach prohibits every obsolescence deduction.

C. Every old feature's historic cost must be deducted again.

D. Only the owner's book depreciation.

30. Q2-P1-030 • Set C

Construction cost for a specialized facility is well documented, but its service demand has fallen materially. What additional cost-approach enquiry matters?

A. Whether invoices alone prove full market recovery.

B. Whether external economic conditions reduce the supported improvement value.

C. Whether the land must necessarily lose exactly the same amount.

D. Whether a larger cost contingency repairs weak demand.

31. Q2-P1-031 • Set D

In a stipulated straight-line age-life illustration, cost new is ₱10m, effective age 12 years and total economic life 40 years, with zero residual. What improvement depreciation follows?

A. ₱12 million.

B. ₱3 million.

C. ₱2.5 million.

D. ₱7 million.

32. Q2-P1-032 • Set D

Under the same expressly simplified age-life model, cost new is ₱18m, effective age 10 and remaining economic life 30 years, with zero residual. What retained improvement value follows?

A. ₱13.5 million.

B. ₱4.5 million.

C. ₱12 million.

D. ₱18 million.

Set D Depreciation and obsolescence

Items 33–36 • Select one best answer.

33. Q2-P1-033 • Set D

Distinct nonoverlapping losses are physical ₱1.2m, functional ₱0.5m and external ₱0.8m against a ₱9m improvement cost-new base. What retained improvement amount follows?

A. ₱2.5 million.

B. ₱7.8 million.

C. ₱6.5 million.

D. ₱11.5 million.

34. Q2-P1-034 • Set D

A simplified model expressly applies independent sequential retention factors of 80% and 90% to a ₱10m improvement cost. What retained amount follows?

A. ₱7.2 million.

B. ₱9 million.

C. ₱8 million.

D. ₱7 million.

35. Q2-P1-035 • Set D

A defect costs ₱250,000 to cure and the stipulated otherwise-equivalent value gain from curing it is ₱320,000. With no other effects, what incremental net benefit follows?

A. ₱70,000.

B. ₱320,000.

C. ₱570,000.

D. ₱70,000 negative.

36. Q2-P1-036 • Set D

A defect costs ₱600,000 to remedy, but the stipulated property-value gain is only ₱420,000. What net economic result follows from that cure alone?

A. ₱180,000 positive.

B. ₱420,000 positive as a net gain.

C. Zero because any repair breaks even by definition.

D. ₱180,000 negative.

Set D Depreciation and obsolescence

Items 37–40 • Select one best answer.

37. Q2-P1-037 • Set D

A building is twenty years old but has substantial verified refurbishment and strong maintained utility. What must an effective-age enquiry consider?

A. Condition and supported utility rather than calendar age alone.

B. The refurbishment invoice date as a new land-acquisition date.

C. Exactly twenty years because construction date controls every loss.

D. Zero depreciation automatically after any refurbishment.

38. Q2-P1-038 • Set D

A school loses enrollment because a competing campus opens nearby. Its walls and equipment remain unchanged. Which depreciation category most directly merits enquiry?

A. Accounting depreciation necessarily equal to the enrollment decline.

B. Functional obsolescence necessarily created by a changed floor plan.

C. External economic obsolescence.

D. Physical deterioration caused solely by the competitor's opening.

39. Q2-P1-039 • Set D

A controlled cost illustration has cost new ₱16m and retained improvement value ₱12m. What total depreciation percentage of cost new is extracted?

A. 25%.

B. 4%.

C. 75%.

D. About 33.33%.

40. Q2-P1-040 • Set D

Physical depreciation is stipulated at 20% of ₱14m cost new. A separate functional deduction of ₱0.7m applies after that, without overlap. What retained improvement amount follows?

A. ₱9.1 million.

B. ₱11.2 million.

C. ₱2.8 million.

D. ₱10.5 million.

Set E Income construction and lease analysis

Items 41–44 • Select one best answer.

41. Q2-P1-041 • Set E

Annual potential rent is ₱2.4m, rental vacancy loss is 10%, and unaffected other income is ₱0.12m. What effective gross income follows before expenses?

A. ₱2.16 million.

B. ₱2.268 million.

C. ₱2.28 million.

D. ₱2.64 million.

42. Q2-P1-042 • Set E

An annual income statement has EGI ₱3.1m and owner operating expenses ₱1.05m, including property taxes. Debt service is separately ₱0.8m. What property NOI follows under the pre-financing convention?

A. ₱3.9 million.

B. ₱2.05 million.

C. ₱3.1 million.

D. ₱1.25 million.

43. Q2-P1-043 • Set E

A landlord receives ₱1.8m annual rent and pays ₱0.45m operating costs. A tenant pays ₱0.12m utilities directly; those utilities are absent from both landlord receipts and costs. What landlord NOI follows in this model?

A. ₱1.23 million.

B. ₱1.8 million.

C. ₱1.47 million.

D. ₱1.35 million.

44. Q2-P1-044 • Set E

A tenant pays ₱60,000 monthly for ten months and has two free months in a twelve-month first-year agreement. Ignore all other differences. What first-year collected rent results?

A. ₱600,000.

B. ₱720,000.

C. ₱120,000.

D. ₱660,000.

Set E Income construction and lease analysis

Items 45–48 • Select one best answer.

45. Q2-P1-045 • Set E

A property has 20 equal-rent units at ₱15,000 monthly; 18 are occupied throughout a twelve-month year. No collection losses or other income apply. What annual collected rent follows?

A. ₱3.60 million.

B. ₱3.24 million.

C. ₱270,000.

D. ₱2.70 million.

46. Q2-P1-046 • Set E

EGI is ₱4m and the stipulated operating-expense ratio is 35% of EGI, with no other costs before NOI. What NOI results?

A. ₱3.65 million.

B. ₱5.4 million.

C. ₱2.6 million.

D. ₱1.4 million.

47. Q2-P1-047 • Set E

A model has NOI ₱2m before a separately identified ₱0.3m year-end capital replacement. No debt or owner tax applies. What year-end property cash flow after that capital outlay follows?

A. ₱1.4 million.

B. ₱1.7 million.

C. ₱2 million.

D. ₱2.3 million.

48. Q2-P1-048 • Set E

A lease states rent ₱45,000/m² per year for 120 m² on the relevant area basis. What annual rent follows?

A. ₱450,000.

B. ₱5.4 million.

C. ₱64.8 million.

D. ₱375/m² annually.

Sets E and F Practice Questions

Items 49–52 • Select one best answer.

49. Q2-P1-049 • Set E

A landlord's contract rent remains below current market rent for four unexpired years. What leased-interest analysis is required?

A. Replace every contractual year with market rent automatically.

B. Assume the gap lasts forever despite the finite term.

C. Treat the tenant's entire trading profit as landlord income.

D. Model the enforceable lease period and supported reversion to later terms.

50. Q2-P1-050 • Set E

A property budget includes owner's income tax, accounting depreciation and mortgage principal among NOI deductions. What should be reviewed under this section's pre-financing NOI convention?

A. Reclassify those items and retain relevant property operating expenses.

B. Deduct every item solely because it appears in the budget.

C. Add gross building value to rental receipts.

D. Exclude owner-paid property tax together with owner income tax automatically.

51. Q2-P1-051 • Set F

Two comparable income properties have compatible annual NOIs of ₱1.6m and ₱2.0m, and sale prices ₱20m and ₱25m respectively. What common extracted capitalization rate results?

A. 12.5%.

B. 10%.

C. 8%.

D. 0.8%.

52. Q2-P1-052 • Set F

A lending review tests compatible annual NOI of ₱2.7m at two stipulated cap rates, 9% and 10%. The purchase asking amount is ₱28m. Which comparison of the ask with these direct-cap indications is correct?

A. The ask is below both indications.

B. The ask equals both indications because the NOI is the same.

C. The ask is above both indications.

D. The ask is ₱1m above the 10% indication and ₱2m below the 9% indication.

Set F Capitalization rates and income models

Items 53–56 • Select one best answer.

53. Q2-P1-053 • Set F

A stipulated simple band-of-investment model has 60% mortgage share at a 9% mortgage constant and 40% equity share at a 12% equity capitalization rate. What weighted overall rate follows?

A. 9%.

B. 10.2%.

C. 21%.

D. 10.8%.

54. Q2-P1-054 • Set F

An expressly simplified perpetual growth model has next-year cash flow ₱1.5m, compatible required return 11% and perpetual growth 3%. What indication follows if the stipulated model conditions hold?

A. About ₱13.64 million.

B. About ₱10.71 million.

C. ₱18.75 million.

D. ₱50 million.

55. Q2-P1-055 • Set F

A stipulated direct-cap model indicates ₱24m using NOI ₱1.92m. NOI rises to ₱2.04m and the compatible cap rate remains unchanged. What revised indication follows?

A. ₱25.5 million.

B. ₱25.92 million.

C. ₱24 million.

D. ₱24.12 million.

56. Q2-P1-056 • Set F

Annual gross rent is ₱0.9m and a compatible stipulated annual gross-rent multiplier is 14. What multiplier indication follows?

A. ₱14.9 million.

B. ₱12.6 million.

C. ₱151.2 million.

D. ₱0.0643 million.

Set F Capitalization rates and income models

Items 57–60 • Select one best answer.

57. Q2-P1-057 • Set F

A cap rate extracted from NOI is applied to gross potential rent without expense or vacancy reconciliation. What is the defect?

A. A necessary land-area calculation error.

B. A universal prohibition on all gross-income multipliers.

C. A defect cured by rounding the value to millions.

D. The income numerator is incompatible with the extracted rate.

58. Q2-P1-058 • Set F

A severely vacant property has a credible stabilization path requiring leasing costs and delay. What should a stabilized-income indication preserve?

A. Stabilized value as the actual dated value without transition analysis.

B. Zero value solely because current vacancy is high.

C. The costs, timing and risks of reaching the assumed stabilized state.

D. A second perpetual vacancy deduction after it is already modeled in income.

59. Q2-P1-059 • Set F

In an otherwise unchanged direct-cap illustration, NOI is ₱1.8m and the cap rate moves from 7.5% to 9%. What change in indicated value follows?

A. No change.

B. A ₱4m reduction.

C. A ₱1.5m reduction.

D. A ₱4m increase.

60. Q2-P1-060 • Set F

A five-year lease has no stated renewal right or residual receipt. An analyst capitalizes its annual tenant benefit in perpetuity. What must be repaired?

A. The lease expiry may be ignored if the tenant likes the building.

B. The annual benefit must be multiplied by the property's freehold area.

C. The finite term and any supported end-of-term benefit must govern the income model.

D. Every lease benefit must be zero.

Set G Discounted cash flow and timing

Items 61–64 • Select one best answer.

61. Q2-P1-061 • Set G

An asset provides only ₱1.1m at the end of year 1 and ₱1.21m at the end of year 2. At a stipulated 10% annual discount rate, what present amount results?

A. ₱1.91 million approximately.

B. ₱1.1 million.

C. ₱2.0 million.

D. ₱2.31 million.

62. Q2-P1-062 • Set G

A receipt of ₱1.331m arrives only at the end of year 3. At 10% annually, what present amount follows?

A. ₱1.331 million.

B. ₱1.0 million.

C. ₱1.21 million.

D. ₱1.1 million.

63. Q2-P1-063 • Set G

A property receives ₱0.8m at year 1 and ₱0.968m at year 2. A separate capital outlay of ₱0.22m occurs at year 1. At 10% annually, what present property cash-flow amount follows?

A. About ₱1.3273 million.

B. About ₱1.5273 million.

C. About ₱1.3055 million.

D. ₱1.548 million.

64. Q2-P1-064 • Set G

A warehouse cash flow of ₱0.55m is received immediately at time zero, and ₱1.21m arrives at year 2. At 10% annually, what total present amount follows?

A. ₱1.76 million.

B. ₱1.50 million.

C. ₱1.45 million.

D. ₱1.55 million.

Set G Discounted cash flow and timing

Items 65–68 • Select one best answer.

65. Q2-P1-065 • Set G

A stipulated two-year property DCF has annual end-year NOI ₱0.6m in each year and gross disposal receipt ₱6.05m at year 2. No capital or selling costs apply. At 10%, what present indication results?

A. ₱5 million.

B. About ₱5.5455 million.

C. ₱7.25 million.

D. About ₱6.0413 million.

66. Q2-P1-066 • Set G

Two otherwise identical proposals pay ₱2.2m at year 1 or ₱2.42m at year 2. At 10% annually, which present-benefit comparison follows?

A. Both have present benefit ₱2m.

B. The second is ₱0.22m better at present.

C. The first is ₱0.22m better at present.

D. Both have present benefit ₱2.42m.

67. Q2-P1-067 • Set G

A real-property DCF before financing indicates ₱15m. A stipulated outstanding loan balance is ₱6m, and no other adjustments apply. What simple equity bridge follows?

A. ₱6 million.

B. ₱15 million.

C. ₱21 million.

D. ₱9 million.

68. Q2-P1-068 • Set G

A one-time ₱550,000 receipt is moved from the end of year 1 to the end of year 2, with a 10% annual rate and no other changes. What present-value reduction results?

A. ₱55,000.

B. About ₱45,455.

C. ₱50,000.

D. No reduction.

Sets G and H Practice Questions

Items 69–72 • Select one best answer.

69. Q2-P1-069 • Set G

A property DCF uses annual nominal peso rents but discounts them using a real dollar rate. What must be reconciled?

A. The cash-flow currency, price basis and compatible discount rate.

B. A universal conversion of every rate by multiplying by the exchange rate.

C. Only the number of columns in the spreadsheet.

D. The largest value among the mismatched outputs.

70. Q2-P1-070 • Set G

A client supplies only an annual accounting profit forecast including noncash depreciation. What transformation is needed for a cash-flow model?

A. Discount accounting profit unchanged in every assignment.

B. Add depreciation but ignore actual capital replacement needs automatically.

C. Reconstruct relevant cash receipts and outlays, including capital spending and timing.

D. Treat all past invoices as future outflows.

71. Q2-P1-071 • Set H

A DCF ends at year 4. Supported year-5 NOI is ₱1.2m and the stipulated exit capitalization rate is 8%. What gross terminal amount belongs at the end of year 4 before selling costs?

A. ₱9.6 million.

B. ₱1.296 million.

C. ₱15 million.

D. ₱12 million.

72. Q2-P1-072 • Set H

A terminal sale amount is ₱18m and selling costs are 3% of that amount, payable on sale. What net terminal receipt follows before discounting?

A. ₱17.46 million.

B. ₱0.54 million.

C. ₱17.97 million.

D. ₱18.54 million.

Set H Terminal value risk and sensitivity

Items 73–76 • Select one best answer.

73. Q2-P1-073 • Set H

A net disposal receipt of ₱14.641m occurs at year 4. At 10% annually, what is its present contribution?

A. ₱14.641 million.

B. ₱16.1051 million.

C. ₱10 million.

D. ₱11 million.

74. Q2-P1-074 • Set H

A scenario has present value ₱12m with stipulated probability 30%; another has ₱8m with probability 70%. The probabilities exhaust the stated outcomes. What expected present value follows?

A. ₱12 million.

B. ₱10 million.

C. ₱8.8 million.

D. ₱9.2 million.

75. Q2-P1-075 • Set H

All else is unchanged: year-5 NOI is ₱1.5m, and the exit cap rate at year 4 changes from 7.5% to 10%. What gross terminal-value change follows?

A. No change because NOI is unchanged.

B. A ₱2.5m reduction.

C. A ₱5m reduction.

D. A ₱5m increase.

76. Q2-P1-076 • Set H

A downside case reduces only a year-2 receipt by ₱242,000. At 10% annually, what present-value reduction follows?

A. ₱220,000.

B. ₱242,000.

C. ₱266,200.

D. ₱200,000.

Set H Terminal value risk and sensitivity

Items 77–80 • Select one best answer.

77. Q2-P1-077 • Set H

A leasehold has no renewal right, no compensation and no benefits after expiry under the stipulated facts. The model nevertheless adds a freehold perpetual terminal value. What is wrong?

A. Every terminal value is prohibited in all DCF models.

B. The lease's title automatically becomes freehold at expiry.

C. A high discount rate always cures the wrong asset boundary.

D. The terminal value represents rights the subject does not hold.

78. Q2-P1-078 • Set H

A downside cash-flow scenario already deducts a specified loss. The valuer proposes deducting the identical loss again as a separate value adjustment. What must be checked?

A. Whether the additional deduction necessarily makes the opinion more reliable.

B. Whether risk should always be ignored in forecasts.

C. Whether the same risk effect is counted twice.

D. Whether the loss amount can be renamed to avoid duplication.

79. Q2-P1-079 • Set H

At the end of year 3, final operating cash flow is ₱0.8m and net disposal receipt is ₱7.2m. What total belongs in that year-3 column before discounting?

A. ₱6.4 million.

B. ₱8.8 million.

C. ₱7.2 million.

D. ₱8.0 million.

80. Q2-P1-080 • Set H

The terminal component supplies most of a DCF result, but the exit income and rate are weakly supported. What review priority follows?

A. Set the terminal rate equal to the discount rate automatically.

B. Ignore terminal assumptions because explicit-year calculations are correct.

C. Test the terminal assumptions and their influence, including appropriate sensitivity.

D. Report extra decimal places to strengthen the weak evidence.

Set I Development and land residual models

Items 81–84 • Select one best answer.

81. Q2-P1-081 • Set I

A static development residual has completed receipts ₱80m, non-land costs ₱50m and profit allowance 20% of receipts. Ignore timing and all other allowances. What land residual follows?

A. About ₱16.67 million.

B. ₱30 million.

C. ₱20 million.

D. ₱14 million.

82. Q2-P1-082 • Set I

A static scheme budgets ₱18m for land and ₱52m for all other costs. Required profit is 20% of total cost including land. Ignoring timing and all other allowances, what completed receipts are needed to satisfy that stated cost-based return?

A. ₱84 million.

B. ₱70 million.

C. ₱80.4 million.

D. ₱87.5 million.

83. Q2-P1-083 • Set I

Completed net receipt is ₱24.2m at year 2 and all non-land development outlays total ₱11m at year 1. No other allowance applies. At 10% annually, what present amount remains for land paid now?

A. ₱20 million.

B. ₱9 million.

C. ₱13.2 million.

D. ₱10 million.

84. Q2-P1-084 • Set I

A static land residual is ₱9m and the specified consistent land area is 3,000 m². What residual unit amount follows?

A. ₱3,000/m².

B. ₱30,000/m².

C. ₱9,000/m².

D. ₱333/m² approximately.

Set I Development and land residual models

Items 85–88 • Select one best answer.

85. Q2-P1-085 • Set I

Under a controlled static model, receipts fall from ₱70m to ₱66m. Non-land costs remain ₱42m and profit remains 15% of receipts. What reduction in land residual follows?

A. ₱0.6 million.

B. ₱4 million.

C. ₱3.4 million.

D. ₱4.6 million.

86. Q2-P1-086 • Set I

A residual model gives ₱5m after all stated non-land costs and profit. The land owner's minimum asking amount is ₱6.2m. What arithmetic gap must the scheme resolve on these premises?

A. No gap because a positive residual guarantees agreement.

B. ₱1.2 million surplus.

C. ₱1.2 million shortfall.

D. ₱11.2 million available for land.

87. Q2-P1-087 • Set I

A residual spreadsheet assumes completed sales prices but omits marketing time, absorption and carrying costs. What professional enquiry is needed?

A. Only a sum of advertised prices.

B. A valuation-date change to the last sale date without authorization.

C. Whether the development forecast captures the relevant amounts and timing through realization.

D. A presumption that a static residual automatically includes all delay costs.

88. Q2-P1-088 • Set I

A proposed redevelopment is financially attractive, but the required consent is not established. What should the model and conclusion preserve?

A. The assumption that a positive land residual proves consent.

B. The unresolved consent and the stated scenario basis.

C. A claim that the appraiser can grant the consent through reconciliation.

D. The highest sale price as evidence of permission.

Sets I and J Practice Questions

Items 89–92 • Select one best answer.

89. Q2-P1-089 • Set I

A stipulated approach compares present retention value ₱13m with redevelopment benefits ₱28m less all compatible non-land conversion costs ₱14m. No other difference applies. What net advantage does redevelopment have?

A. ₱14 million.

B. ₱1 million.

C. ₱15 million.

D. ₱1 million negative.

90. Q2-P1-090 • Set I

A development residual rises when one cost estimate is reduced, but the lower estimate has no contractor or market support. What conclusion is defensible?

A. A lower cost is always prohibited.

B. A larger residual proves the lower cost is correct.

C. The improved arithmetic remains conditional on an inadequately supported input.

D. An unsupported input becomes reliable when used by two spreadsheets.

91. Q2-P1-091 • Set J

For an explicitly mechanical reconciliation exercise, sales indicates ₱16m with weight 60% and income ₱18m with weight 40%. What weighted arithmetic follows?

A. ₱17 million.

B. ₱17.2 million.

C. ₱34 million.

D. ₱16.8 million.

92. Q2-P1-092 • Set J

Two compatible indications are ₱14m and ₱16m. In a stipulated discrepancy check, use their midpoint as the percentage denominator. What relative spread follows?

A. 12.5%.

B. About 13.33%.

C. 2%.

D. About 14.29%.

Set J Reconciliation and model review

Items 93–96 • Select one best answer.

93. Q2-P1-093 • Set J

A stipulated value indication is ₱23.46m and reporting instructions require rounding to the nearest ₱100,000. What reported amount follows?

A. ₱23.5 million.

B. ₱23.46 million.

C. ₱23.4 million.

D. ₱23 million.

94. Q2-P1-094 • Set J

Three approaches give widely different results. Their asset interests, dates and income premises have not been reconciled. What should occur before weighting the indications?

A. Always select the highest result.

B. Resolve the inconsistent premises and investigate the causes of the differences.

C. Always select the cost result because invoices exist.

D. Average them immediately to neutralize their errors.

95. Q2-P1-095 • Set J

An income indication has verified leases and compatible market rates. A cost indication has uncertain external obsolescence. What should a reconciliation explain?

A. A rule that any income method automatically establishes market value.

B. The relative support, limitations and reasoned reliance assigned to each approach.

C. A fixed equal weight mandated for every property.

D. A rule that cost evidence must always be discarded.

96. Q2-P1-096 • Set J

A comparison worksheet reports adjusted indications ₱11.8m, ₱12.1m and ₱12.4m. For a specified unweighted arithmetic check only, what mean follows?

A. ₱12.4 million.

B. ₱12.1 million.

C. ₱36.3 million.

D. ₱11.8 million.

Set J Reconciliation and model review

Items 97–100 • Select one best answer.

97. Q2-P1-097 • Set J

A sale evidence set and an income rate were both derived from the same few transactions. What corroboration issue should be considered?

A. Two method names necessarily provide two independent datasets.

B. The same sales should be counted twice as independent transactions.

C. Shared evidence automatically invalidates every use of either approach.

D. The two indications may share underlying evidence and are not fully independent confirmations.

98. Q2-P1-098 • Set J

During reconciliation, a spreadsheet is found to multiply a monthly rent by twelve twice. What must happen before reporting?

A. Reduce its weight without correcting the known defect.

B. Change the currency label instead.

C. Keep the result if another approach is nearby.

D. Correct the model and review all affected indications and conclusions.

99. Q2-P1-099 • Set J

A cost model values improvements for continuation, while the sales model assumes immediate clearance and redevelopment. What premise should reconciliation clarify?

A. Whether the indications refer to consistent use and condition assumptions for the subject.

B. An assumption that adding both indications measures the same property.

C. A rule that the greater gross amount automatically controls.

D. A requirement that both numbers be exactly equal before any report.

100. Q2-P1-100 • Set J

A final conclusion changes materially after a new verified lease is incorporated. What should the reported reasoning identify?

A. The new evidence, changed assumptions and resulting effect on the conclusion.

B. An assertion that the former value never existed.

C. Only the final number with no updated analysis.

D. A guarantee that the new value will be achieved in every sale.

Section P1 Compact Answer Key

Items 1–50 • Version 1.0. Review after finishing.

Item	Key	Item	Key	Item	Key	Item	Key
1	B	14	A	27	B	40	D
2	B	15	A	28	D	41	C
3	C	16	D	29	A	42	B
4	D	17	B	30	B	43	D
5	D	18	B	31	B	44	A
6	A	19	C	32	A	45	B
7	A	20	A	33	C	46	C
8	C	21	A	34	A	47	B
9	B	22	D	35	A	48	B
10	D	23	C	36	D	49	D
11	B	24	B	37	A	50	A
12	D	25	C	38	C		
13	A	26	C	39	A		

Check the reason as well as the letter

Combine both halves: correct _____ / 100 = _____%. Preserve first-attempt responses. Review uncertain correct answers together with errors. Reconstruct the inputs, units, timing and decisive assumption before accepting a numerical answer.

A score describes performance on this set under the recorded conditions. It does not certify a real property value, professional authorization, an examination passing result or ranking.

Section P1 Compact Answer Key

Items 51–100 • Version 1.0. Review after finishing.

Item	Key	Item	Key	Item	Key	Item	Key
51	C	64	D	77	D	90	C
52	D	65	D	78	C	91	D
53	B	66	A	79	D	92	B
54	C	67	D	80	C	93	A
55	A	68	B	81	D	94	B
56	B	69	A	82	A	95	B
57	D	70	C	83	D	96	B
58	C	71	C	84	A	97	D
59	B	72	A	85	C	98	D
60	C	73	C	86	C	99	A
61	C	74	D	87	C	100	A
62	B	75	C	88	B		
63	A	76	D	89	B		

Check the reason as well as the letter

Combine both halves: correct ____ / 100 = ____%. Preserve first-attempt responses. Review uncertain correct answers together with errors. Reconstruct the inputs, units, timing and decisive assumption before accepting a numerical answer.

A score describes performance on this set under the recorded conditions. It does not certify a real property value, professional authorization, an examination passing result or ranking.

Section P1 Answers and Explanations

Items 1–4 • Version 1.0

1. Q2-P1-001 • Answer B

Establish a supported allocation to the relevant real-property interest.

A • Book goodwill is not necessarily the transaction allocation.

B • **Correct.** Proximity does not remove business assets from the package.

C • A sufficiently supported allocation may permit use.

D • That carries excluded assets into the property rate.

Repair: Reconcile the transaction asset package before extracting a metric.

Lessons 24. Source: S1 IVS 103 market approach; S2 IVS 400.

2. Q2-P1-002 • Answer B

Verified sale prices reconciled for relevant rights and site differences.

A • It is not comparable sale evidence.

B • **Correct.** These are direct exchange observations for comparable interests.

C • Its asset and utility differ.

D • No supported rent is supplied.

Repair: Choose evidence that measures the relevant interest and market behavior.

Lessons 24. Source: S1 IVS 103; S2 IVS 400.

3. Q2-P1-003 • Answer C

₱12,000/m².

A • That introduces a factor-of-ten error.

B • That does not follow the supplied division.

C • **Correct.** ₱14.4m ÷ 1,200 = ₱12,000 per floor m².

D • That uses an incorrect area denominator.

Repair: Identify the asset measure and denominator of a unit price.

Lessons 24. Source: S6 Lesson 24; original calculation.

4. Q2-P1-004 • Answer D

Investigate the lease's effect and reconcile the interest difference.

A • Suitability depends on the evidence and possible reconciliation.

B • That is not a supported lease-interest adjustment.

C • Equal area does not establish equivalent rights.

D • **Correct.** The rights sold affect the meaning of the price.

Repair: Compare the rights actually transacted.

Lessons 24. Source: S2 IVS 400.

Section P1 Answers and Explanations

Items 5–8 • Version 1.0

5. Q2-P1-005 • Answer D

₱6,000/m².

A • That converts it to 15,000 m².

B • That multiplies rather than divides by the stated area measure.

C • That converts 0.15 ha to only 150 m².

D • **Correct.** 0.15 × 10,000 = 1,500 m²; ₱9m/1,500 = ₱6,000.

Repair: Convert hectares before using a square-metre metric.

Lessons 24. Source: S6 Lesson 24; original calculation.

6. Q2-P1-006 • Answer A

They may represent one listing, not six independent completed transactions.

A • **Correct.** Provenance and transaction stage must be checked.

B • Copies do not establish completed exchanges.

C • Independence depends on the underlying observations.

D • A listing can still inform an appropriately limited enquiry.

Repair: Deduplicate the underlying evidence and identify its stage.

Lessons 24. Source: S1 IVS 103; S6 Lesson 24.

7. Q2-P1-007 • Answer A

₱15,000/m².

A • **Correct.** ₱10.5m ÷ 700 = ₱15,000.

B • That uses the unallocated ₱12m package.

C • That deducts the stock allocation twice.

D • That adds excluded stock instead of removing it.

Repair: Carry the supported allocation into the chosen metric only once.

Lessons 24. Source: S6 Lesson 24; original calculation.

8. Q2-P1-008 • Answer C

Relevance and reliability together, not distance alone.

A • The transaction's meaning also matters.

B • Their relevance can still differ.

C • **Correct.** Spatial closeness does not cure unknown terms.

D • Price level is not an evidence-quality test.

Repair: Explain the weight assigned to each sale's actual support.

Lessons 24. Source: S1 IVS 103; S2 IVS 400.

Section P1 Answers and Explanations

Items 9–12 • Version 1.0

9. Q2-P1-009 • Answer B

10.

A • That is the gross rent-to-price ratio, not its multiplier.

B • **Correct.** ₱7.2m ÷ ₱0.72m = 10 annual gross-rent units.

C • The rent is already annual; no monthly conversion is required.

D • That introduces a factor-of-ten error.

Repair: Keep a gross-rent multiplier distinct from a yield.

Lessons 24. Source: S6 Lessons 24 and 26; original calculation.

10. Q2-P1-010 • Answer D

Reconcile the area definitions before applying the unit evidence.

A • The same unit symbol does not make the area definitions equal.

B • That double counts incompatible measures.

C • The valuation does not amend legal area.

D • **Correct.** Different denominators measure different packages.

Repair: Use the same area concept in evidence and application.

Lessons 24. Source: S2 IVS 400; S6 Lesson 24.

11. Q2-P1-011 • Answer B

₱7.4 million.

A • That adjusts in the wrong direction.

B • **Correct.** Deduct the comparable's superiority: 8.0 − 0.6 = 7.4.

C • That is the adjustment, not the indication.

D • That ignores the supported difference.

Repair: Adjust the comparable toward the subject's utility.

Lessons 24. Source: S6 Lesson 24; original calculation.

12. Q2-P1-012 • Answer D

₱6.9 million.

A • That reverses the adjustment direction.

B • That omits the stated difference.

C • That adds the contribution twice.

D • **Correct.** Add for the comparable's inferiority: 6.5 + 0.4 = 6.9.

Repair: Use the stated contribution once with the correct direction.

Lessons 24. Source: S6 Lesson 24; original calculation.

Section P1 Answers and Explanations

Items 13–16 • Version 1.0

13. Q2-P1-013 • Answer A

₱5.05 million.

A • Correct. 5.00 × 1.04 − 0.15 = ₱5.05m.

B • That deducts the time increase instead of adding it.

C • That applies time after the location deduction, a different specified sequence.

D • That adds the location difference rather than deducting it.

Repair: Apply the expressly defined adjustment base and sequence.

Lessons 24. Source: S6 Lesson 24; original calculation.

14. Q2-P1-014 • Answer A

₱10.1 million.

A • Correct. 10 × (1 + 0.03 − 0.02) = ₱10.1m.

B • That deducts both adjustments.

C • That adds both despite the condition deduction.

D • That compounds the percentages, contrary to the additive convention.

Repair: Distinguish additive same-base adjustments from compounding.

Lessons 24. Source: S6 Lesson 24; original calculation.

15. Q2-P1-015 • Answer A

₱4.18 million.

A • Correct. 4 × 1.10 × 0.95 = ₱4.18m.

B • That adds the two percentages on the original base.

C • That omits the second adjustment.

D • That treats the first adjustment as a deduction.

Repair: Respect the stated successive adjustment convention.

Lessons 24. Source: S6 Lesson 24; original calculation.

16. Q2-P1-016 • Answer D

₱300,000.

A • That inserts an unsupported percentage.

B • That is a whole sale price, not the increment.

C • That adds rather than compares the prices.

D • Correct. ₱4.1m − ₱3.8m = ₱0.3m.

Repair: Extract the controlled difference without changing its premise.

Lessons 24. Source: S6 Lesson 24; original calculation.

Section P1 Answers and Explanations

Items 17–20 • Version 1.0

17. Q2-P1-017 • Answer B

₱8.2 million.

A • That omits the financing adjustment.

B • Correct. 9.0 − 0.3 − 0.5 = ₱8.2m.

C • That adds the financing benefit rather than excludes it.

D • That deducts the financing effect twice.

Repair: Trace distinct transaction and property adjustments once each.

Lessons 24. Source: S6 Lesson 24; original calculation.

18. Q2-P1-018 • Answer B

₱21.6 million.

A • That gives the greatest weight to the wrong end of the set.

B • Correct. 20 × 0.50 + 22 × 0.30 + 25 × 0.20 = 21.6.

C • That is the middle observation, not the specified weighted result.

D • That is the unweighted mean.

Repair: Use the supplied weights without treating them as a professional weighting rule.

Lessons 24. Source: S6 Lesson 24; original calculation.

19. Q2-P1-019 • Answer C

₱11.7 million.

A • That assumes an unsupported 1,000 m² area.

B • That does not apply the unit rate to the area.

C • Correct. ₱18,000 × 650 = ₱11,700,000.

D • That is a factor-of-ten error.

Repair: Apply a reconciled unit metric to the matching subject quantity.

Lessons 24. Source: S6 Lesson 24; original calculation.

20. Q2-P1-020 • Answer A

Whether the first set remains sufficiently comparable and its adjustments sufficiently supported.

A • Correct. A neat final number can conceal weak transferability.

B • An invented cutoff cannot replace reasoning.

C • Small changes are not a reason for rejection.

D • Arithmetic cancellation does not cancel evidence risk.

Repair: Assess gross differences and support, not only the final net adjustment.

Lessons 24. Source: S1 IVS 103; S6 Lesson 24.

Section P1 Answers and Explanations

Items 21–24 • Version 1.0

21. Q2-P1-021 • Answer A

Current cost of providing equivalent educational utility with appropriate deductions.

A • Correct. Replacement focuses on supported utility rather than compulsory replication.

B • Historic expenditure is not the current replacement premise.

C • Preference does not establish the cost.

D • The two cost concepts differ.

Repair: State whether the model replaces utility or reproduces a replica.

Lessons 25. Source: S1 IVS 103 cost methods; S6 Lesson 25.

22. Q2-P1-022 • Answer D

Identify the relevant typical-participant cost components for the stated equivalent asset.

A • Payment responsibility does not alone settle the valuation cost scope.

B • Their definitions and inclusion must be checked.

C • The amount requires support.

D • Correct. A construction-only subtotal may omit necessary components.

Repair: Reconcile the cost scope before deducting depreciation.

Lessons 25. Source: S1 IVS 103 cost methods; S6 Lesson 25.

23. Q2-P1-023 • Answer C

₱14 million.

A • That omits depreciation.

B • That omits land.

C • Correct. Land 5 + improvements (12 − 3) = ₱14m.

D • That adds depreciation instead of deducting it.

Repair: Separate land from depreciated improvement value.

Lessons 25. Source: S6 Lesson 25; original calculation.

24. Q2-P1-024 • Answer B

₱24.0 million.

A • That is a factor-of-ten error.

B • Correct. 800 × ₱28,000 = ₱22.4m; add ₱1.6m = ₱24m.

C • That adds the indirect cost twice.

D • That omits the stated indirect cost.

Repair: Combine distinct cost components on a consistent scope.

Lessons 25. Source: S6 Lesson 25; original calculation.

Section P1 Answers and Explanations

Items 25–28 • Version 1.0

25. Q2-P1-025 • Answer C

₱16.8 million.

A • That counts the site improvement contribution twice.

B • That omits land.

C • **Correct.** 7 + 9 + 0.8 = ₱16.8m.

D • That omits site improvements.

Repair: Check the boundaries of separately summed components.

Lessons 25. Source: S6 Lesson 25; original calculation.

26. Q2-P1-026 • Answer C

Remove the duplicate component or reconcile its actual separate scope.

A • Duplication is not deterioration.

B • Double inclusion overstates cost.

C • **Correct.** The same work is represented twice.

D • That does not repair the monetary duplication.

Repair: Trace the inclusion boundaries of each cost component.

Lessons 25. Source: S6 Lesson 25.

27. Q2-P1-027 • Answer B

Whether equivalent utility in this case requires reproducing that configuration.

A • Current cost still needs support.

B • **Correct.** A replica may be relevant when its utility cannot otherwise be supplied.

C • That could change the asset's utility.

D • The facts do not establish that.

Repair: Relate the chosen cost method to the asset's actual utility requirements.

Lessons 25. Source: S1 IVS 103 cost methods; S6 Lesson 25.

28. Q2-P1-028 • Answer D

₱14.5 million.

A • That depreciates land together with the improvements.

B • That ignores the stipulated improvement loss.

C • That uses the 30% lost proportion as the retained improvement value.

D • **Correct.** 4 + 15 × 0.70 = ₱14.5m.

Repair: Apply improvement depreciation to the stated improvement base.

Lessons 25. Source: S6 Lesson 25; original calculation.

Section P1 Answers and Explanations

Items 29–32 • Version 1.0

29. Q2-P1-029 • Answer A

Whether the deduction repeats a functional loss already excluded by the cost premise.

A • Correct. A modern-equivalent base can already avoid certain deficiencies.

B • Relevant remaining losses still require analysis.

C • That can duplicate the loss.

D • That does not resolve the model scope.

Repair: Check functional loss against the exact cost-new premise.

Lessons 25. Source: S1 IVS 103 cost methods; S6 Lesson 25.

30. Q2-P1-030 • Answer B

Whether external economic conditions reduce the supported improvement value.

A • They do not resolve demand.

B • Correct. Cost accuracy does not establish economic utility.

C • Effects require separate analysis.

D • Contingency does not establish value support.

Repair: Investigate relevant external obsolescence after estimating cost.

Lessons 25. Source: S1 IVS 103 depreciation; S6 Lesson 25.

31. Q2-P1-031 • Answer B

₱3 million.

A • That treats age as a monetary multiplier.

B • Correct. 12/40 × ₱10m = ₱3m.

C • That does not use the stated age-life fraction.

D • That is the retained value, not the deduction.

Repair: Distinguish the lost proportion from retained value.

Lessons 25. Source: S6 Lesson 25; original calculation.

32. Q2-P1-032 • Answer A

₱13.5 million.

A • Correct. Total life = 10 + 30 = 40; retained share = 30/40; 18 × 0.75 = 13.5.

B • That is the depreciation, not retained value.

C • That incorrectly treats the remaining life as total life.

D • That omits the stated age-life loss.

Repair: Reconstruct total economic life before applying the fraction.

Lessons 25. Source: S6 Lesson 25; original calculation.

Section P1 Answers and Explanations

Items 33–36 • Version 1.0

33. Q2-P1-033 • Answer C

₱6.5 million.

A • That is total depreciation, not retained value.

B • That deducts only physical loss.

C • **Correct.** 9 − 1.2 − 0.5 − 0.8 = ₱6.5m.

D • That adds the losses.

Repair: Sum only distinct nonoverlapping losses and deduct once.

Lessons 25. Source: S6 Lesson 25; original calculation.

34. Q2-P1-034 • Answer A

₱7.2 million.

A • **Correct.** 10 × 0.80 × 0.90 = ₱7.2m.

B • That omits the first factor.

C • That omits the second factor.

D • That adds the percentage losses on the original base.

Repair: Use sequential factors only when the model expressly defines them.

Lessons 25. Source: S6 Lesson 25; original calculation.

35. Q2-P1-035 • Answer A

₱70,000.

A • **Correct.** ₱320,000 − ₱250,000 = ₱70,000.

B • That is the gross gain before cure cost.

C • That adds cure cost to the gain.

D • That reverses the subtraction.

Repair: Compare the gain from a cure with its relevant cost.

Lessons 25. Source: S6 Lesson 25; original calculation.

36. Q2-P1-036 • Answer D

₱180,000 negative.

A • That reverses the sign.

B • That omits the cost.

C • The given amounts are not equal.

D • **Correct.** ₱420,000 − ₱600,000 = −₱180,000.

Repair: Separate technical repairability from economic justification.

Lessons 25. Source: S6 Lesson 25; original calculation.

Section P1 Answers and Explanations

Items 37–40 • Version 1.0

37. Q2-P1-037 • Answer A

Condition and supported utility rather than calendar age alone.

A • Correct. Effective age need not equal chronological age.

B • That confuses different facts.

C • That ignores the condition evidence.

D • Refurbishment need not eliminate all losses.

Repair: Support effective age from the asset's relevant condition and utility.

Lessons 25. Source: S6 Lesson 25.

38. Q2-P1-038 • Answer C

External economic obsolescence.

A • Accounting allocation does not quantify the valuation loss.

B • No layout change is given.

C • Correct. The influence comes from conditions outside the improvements.

D • No physical change is stated.

Repair: Identify the cause before quantifying a loss category.

Lessons 25. Source: S1 IVS 103 depreciation; S6 Lesson 25.

39. Q2-P1-039 • Answer A

25%.

A • Correct. Loss = 16 − 12 = 4; 4/16 = 25%.

B • The ₱4m loss is not itself a percentage.

C • That is the retained share.

D • That divides the loss by retained value rather than cost new.

Repair: Identify both the loss and the stated percentage base.

Lessons 25. Source: S6 Lesson 25; original calculation.

40. Q2-P1-040 • Answer D

₱10.5 million.

A • That is not the stated physical-plus-functional calculation.

B • That ignores functional loss.

C • That is physical depreciation alone.

D • Correct. 14 × 0.80 − 0.7 = ₱10.5m.

Repair: Apply the specified percentage and separate amount to the correct stages.

Lessons 25. Source: S6 Lesson 25; original calculation.

Section P1 Answers and Explanations

Items 41–44 • Version 1.0

41. Q2-P1-041 • Answer C

₱2.28 million.

A • That omits other income.

B • That also subjects the unaffected other income to vacancy.

C • **Correct.** 2.4 × 0.90 + 0.12 = ₱2.28m.

D • That adds the vacancy loss.

Repair: Deduct the stated rental loss before adding unaffected other income.

Lessons 26. Source: S6 Lesson 26; original calculation.

42. Q2-P1-042 • Answer B

₱2.05 million.

A • That adds debt service to revenue.

B • **Correct.** NOI = 3.10 − 1.05 = ₱2.05m; debt service is separate.

C • That omits operating expenses.

D • That is after the additional financing payment.

Repair: Keep property operations and financing cash flows distinct.

Lessons 26. Source: S6 Lesson 26; original calculation.

43. Q2-P1-043 • Answer D

₱1.35 million.

A • That deducts the tenant-paid utilities from the landlord flow.

B • That omits landlord operating costs.

C • That adds utilities not received by the landlord.

D • **Correct.** 1.8 − 0.45 = ₱1.35m; the separately tenant-paid utilities are not deducted again.

Repair: Match operating flows to the specified payment responsibilities.

Lessons 26. Source: S6 Lesson 26; original calculation.

44. Q2-P1-044 • Answer A

₱600,000.

A • **Correct.** ₱60,000 × 10 paid months = ₱600,000.

B • That assumes every month is paid.

C • That is the concession amount, not collections.

D • That deducts only one free month.

Repair: Translate the actual concession schedule into the period's receipts.

Lessons 26. Source: S6 Lesson 26; original calculation.

Section P1 Answers and Explanations

Items 45–48 • Version 1.0

45. Q2-P1-045 • Answer B

₱3.24 million.

A • That assumes all 20 units are occupied.

B • **Correct.** 18 × ₱15,000 × 12 = ₱3.24m.

C • That is the monthly amount.

D • That counts only ten months.

Repair: Use occupied units, compatible rents and the full stated period.

Lessons 26. Source: S6 Lesson 26; original calculation.

46. Q2-P1-046 • Answer C

₱2.6 million.

A • That treats 35% as ₱0.35m.

B • That adds expenses to EGI.

C • **Correct.** Expenses = 4 × 0.35 = 1.4; NOI = 4 − 1.4 = ₱2.6m.

D • That is the expense amount.

Repair: Apply an expense ratio to its explicitly defined income base.

Lessons 26. Source: S6 Lesson 26; original calculation.

47. Q2-P1-047 • Answer B

₱1.7 million.

A • That deducts it twice.

B • **Correct.** 2.0 − 0.3 = ₱1.7m; the outlay is deducted once at the cash-flow stage.

C • That omits the actual capital outlay.

D • That adds an outflow.

Repair: Distinguish an NOI convention from the subsequent capital cash flow.

Lessons 26. Source: S6 Lessons 26–27; original calculation.

48. Q2-P1-048 • Answer B

₱5.4 million.

A • That is the monthly equivalent, not annual rent.

B • **Correct.** ₱45,000 × 120 = ₱5.4m annually.

C • That multiplies an already annual figure by twelve again.

D • That divides the unit rate by area.

Repair: Read the rate's area and time units before computing income.

Lessons 26. Source: S6 Lesson 26; original calculation.

Section P1 Answers and Explanations

Items 49–52 • Version 1.0

49. Q2-P1-049 • Answer D

Model the enforceable lease period and supported reversion to later terms.

A • That changes the lessor's actual rights.

B • The expiry and reversion facts matter.

C • It is a different cash-flow interest.

D • **Correct.** Immediate market rent may not be receivable under the actual lease.

Repair: Reconcile contract cash flows and reversion timing.

Lessons 26. Source: S2 IVS 400; S6 Lesson 26.

50. Q2-P1-050 • Answer A

Reclassify those items and retain relevant property operating expenses.

A • **Correct.** The stated NOI measure separates noncash owner-tax and financing items.

B • Budget headings do not establish model compatibility.

C • That combines a stock amount with a flow.

D • Property tax is an operating expense under the stated convention.

Repair: Reconstruct NOI from the defined operating perspective.

Lessons 26. Source: S6 Lesson 26.

51. Q2-P1-051 • Answer C

8%.

A • 12.5 is the value-to-NOI multiplier, not this rate.

B • That is not supported by either pair.

C • **Correct.** 1.6/20 = 2.0/25 = 0.08.

D • That is a decimal-place error.

Repair: Extract a rate from compatible income and price observations.

Lessons 26. Source: S6 Lesson 26; original calculation.

52. Q2-P1-052 • Answer D

The ask is ₱1m above the 10% indication and ₱2m below the 9% indication.

A • It exceeds the ₱27m indication at 10%.

B • The different denominators give different indications.

C • It is below the ₱30m indication at 9%.

D • **Correct.** At 10%, V = 2.7/0.10 = ₱27m; at 9%, V = 2.7/0.09 = ₱30m. Compare each with the ₱28m ask.

Repair: Compare asking terms with each supported scenario rather than treat a range as one guaranteed price.

Lessons 26. Source: S6 Lesson 26; original calculation.

Section P1 Answers and Explanations

Items 53–56 • Version 1.0

53. Q2-P1-053 • Answer B

10.2%.

A • That ignores the equity component.

B • **Correct.** 0.60 × 0.09 + 0.40 × 0.12 = 0.102.

C • That adds the component rates without weights.

D • That reverses the stated shares.

Repair: Use compatible weighted component rates under the stated model.

Lessons 26. Source: S6 Lesson 26; original calculation.

54. Q2-P1-054 • Answer C

₱18.75 million.

A • That omits the growth adjustment.

B • That adds growth to the required return.

C • **Correct.** V = 1.5/(0.11 − 0.03) = ₱18.75m.

D • That divides by growth alone.

Repair: Use next-period cash flow and a compatible return-minus-growth denominator.

Lessons 26. Source: S1 IVS 103 income methods; S6 Lesson 26.

55. Q2-P1-055 • Answer A

₱25.5 million.

A • **Correct.** Original rate = 1.92/24 = 8%; revised V = 2.04/0.08 = ₱25.5m.

B • That does not follow the unchanged extracted rate.

C • That ignores the changed compatible NOI.

D • That adds the income increment directly to capital value.

Repair: Translate an income change through the consistent capitalization model.

Lessons 26. Source: S6 Lesson 26; original calculation.

56. Q2-P1-056 • Answer B

₱12.6 million.

A • That adds a dimensionless multiplier to money.

B • **Correct.** 0.9 × 14 = ₱12.6m.

C • That multiplies an annual figure by twelve again.

D • That divides rather than applies the multiplier.

Repair: Keep a rent multiplier distinct from a capitalization percentage.

Lessons 26. Source: S6 Lesson 26; original calculation.

Section P1 Answers and Explanations

Items 57–60 • Version 1.0

57. Q2-P1-057 • Answer D

The income numerator is incompatible with the extracted rate.

A • No area error is stated.

B • A compatible gross measure may use its own metric.

C • Rounding does not change the income definition.

D • **Correct.** The same percentage cannot silently connect different income measures.

Repair: Match the rate to the income definition that produced it.

Lessons 26. Source: S1 IVS 103 income methods; S6 Lesson 26.

58. Q2-P1-058 • Answer C

The costs, timing and risks of reaching the assumed stabilized state.

A • That skips the path to the assumed state.

B • Future supported benefits may remain.

C • **Correct.** The actual property is not instantly stabilized.

D • That can double count the loss.

Repair: Bridge actual condition and stabilized assumptions coherently.

Lessons 26. Source: S2 IVS 400; S6 Lessons 26–27.

59. Q2-P1-059 • Answer B

A ₱4m reduction.

A • The denominator changes even though NOI does not.

B • **Correct.** Initial V = 1.8/0.075 = 24; revised V = 1.8/0.09 = 20; reduction = ₱4m.

C • That treats the rate-point change as money.

D • That reverses the inverse relationship.

Repair: Separate a rate change from a change in income.

Lessons 26. Source: S6 Lesson 26; original calculation.

60. Q2-P1-060 • Answer C

The finite term and any supported end-of-term benefit must govern the income model.

A • Preference does not extend the right.

B • That does not repair duration.

C • **Correct.** A finite right cannot silently become perpetual.

D • A limited right may still have value.

Repair: Match the income duration to the valued interest.

Lessons 26. Source: S2 IVS 400; S6 Lesson 26.

Section P1 Answers and Explanations

Items 61–64 • Version 1.0

61. Q2-P1-061 • Answer C

₱2.0 million.

A • That discounts both receipts for two years.

B • That omits one receipt.

C • **Correct.** $1.1/1.10 + 1.21/1.10^2 = 1 + 1 = ₱2m$.

D • That sums undiscounted receipts.

Repair: Discount every cash flow from its own time.

Lessons 27. Source: S4 time value; S6 Lesson 27.

62. Q2-P1-062 • Answer B

₱1.0 million.

A • That treats the future receipt as current.

B • **Correct.** $1.331/1.10^3 = ₱1m$.

C • That discounts only one year.

D • That discounts only two years.

Repair: Use the exact receipt date and matching compound periods.

Lessons 27. Source: S4 time value; S6 Lesson 27.

63. Q2-P1-063 • Answer A

About ₱1.3273 million.

A • **Correct.** $(0.8 - 0.22)/1.10 + 0.968/1.10^2 = 0.527273 + 0.8 = ₱1.327273m$.

B • That omits the capital outlay.

C • That deducts the year-1 capital cost at time zero.

D • That sums receipts less outlay without discounting.

Repair: Place the capital outflow on its stated date.

Lessons 27. Source: S4 time value; S6 Lesson 27.

64. Q2-P1-064 • Answer D

₱1.55 million.

A • That adds both amounts without discounting.

B • That discounts the immediate receipt for one year.

C • That introduces an extra discount period.

D • **Correct.** Immediate $0.55 + 1.21/1.10^2 = ₱1.55m$.

Repair: Do not discount a time-zero amount again.

Lessons 27. Source: S4 time value; S6 Lesson 27.

Section P1 Answers and Explanations

Items 65–68 • Version 1.0

65. Q2-P1-065 • Answer D

About ₱6.0413 million.

A • That includes only the discounted disposal receipt.

B • That omits the year-2 operating income.

C • That totals undiscounted amounts.

D • **Correct.** $0.6/1.10 + (0.6 + 6.05)/1.10^2$ = ₱6.041322m.

Repair: Include the final operating flow and disposal receipt at their stated time.

Lessons 27. Source: S4 time value; S6 Lesson 27.

66. Q2-P1-066 • Answer A

Both have present benefit ₱2m.

A • **Correct.** $2.2/1.10 = 2.42/1.10^2$ = ₱2m.

B • That compares nominal future receipts without timing.

C • That also fails the discount comparison.

D • That treats the later nominal amount as present.

Repair: Compare alternative benefits at one common date.

Lessons 27. Source: S4 time value; S6 Lesson 27.

67. Q2-P1-067 • Answer D

₱9 million.

A • That is debt, not equity.

B • That is the asset indication before the liability.

C • That adds the liability to equity.

D • **Correct.** Asset 15 less debt 6 = equity ₱9m under this specified bridge.

Repair: Keep the asset valuation and equity bridge separately identified.

Lessons 27. Source: S1 IVS 103 cash-flow perspective; S6 Lesson 27.

68. Q2-P1-068 • Answer B

About ₱45,455.

A • That takes 10% of the future nominal receipt.

B • **Correct.** $550{,}000/1.10 - 550{,}000/1.10^2 = 500{,}000 - 454{,}545.45$.

C • That does not complete the second discount period.

D • The receipt is delayed.

Repair: Measure a timing change through both present-value calculations.

Lessons 27. Source: S4 time value; S6 Lesson 27.

Section P1 Answers and Explanations

Items 69–72 • Version 1.0

69. Q2-P1-069 • Answer A

The cash-flow currency, price basis and compatible discount rate.

A • Correct. Both currency and inflation bases are inconsistent.

B • That is not a justified rate translation.

C • Formatting does not repair the model premise.

D • Output size does not establish validity.

Repair: Align cash-flow and rate definitions before valuing.

Lessons 27. Source: S1 IVS 103 income methods; S6 Lesson 27.

70. Q2-P1-070 • Answer C

Reconstruct relevant cash receipts and outlays, including capital spending and timing.

A • Noncash and capital items may need reconciliation.

B • That can overstate cash generation.

C • Correct. Accounting profit does not automatically equal valuation cash flow.

D • Past costs do not become prospective cash flows merely by listing them.

Repair: Build the cash-flow definition required by the assignment.

Lessons 27. Source: S1 IVS 103 income methods; S6 Lesson 27.

71. Q2-P1-071 • Answer C

₱15 million.

A • That does not capitalize the income.

B • That adds the cap rate to income.

C • Correct. Terminal V at year 4 = next-year NOI 1.2/0.08 = ₱15m.

D • That uses a 10% rate not supplied.

Repair: Identify the terminal valuation date and the forward income period.

Lessons 27. Source: S1 IVS 103 terminal value; S6 Lesson 27.

72. Q2-P1-072 • Answer A

₱17.46 million.

A • Correct. 18 × (1 − 0.03) = ₱17.46m.

B • That is the cost, not net proceeds.

C • That treats 3% as ₱0.03m.

D • That adds the selling cost.

Repair: Compute the net receipt at the terminal date before discounting.

Lessons 27. Source: S6 Lesson 27; original calculation.

Section P1 Answers and Explanations

Items 73–76 • Version 1.0

73. Q2-P1-073 • Answer C

₱10 million.

A • That leaves it at the future date.

B • That compounds the future receipt forward.

C • **Correct.** $14.641/1.10^4$ = ₱10m.

D • That discounts only three years.

Repair: Discount the terminal receipt through its full horizon.

Lessons 27. Source: S4 time value; S6 Lesson 27.

74. Q2-P1-074 • Answer D

₱9.2 million.

A • That selects only the favorable outcome.

B • That gives equal weights instead of the supplied probabilities.

C • That is not the stated weighted sum.

D • **Correct.** 12 × 0.30 + 8 × 0.70 = ₱9.2m.

Repair: Keep probability weighting distinct from an unweighted sensitivity range.

Lessons 27. Source: S6 Lesson 27; original calculation.

75. Q2-P1-075 • Answer C

A ₱5m reduction.

A • The exit denominator has changed.

B • The rate-point change is not the value difference.

C • **Correct.** 1.5/0.075 = 20; 1.5/0.10 = 15; difference is −₱5m.

D • That reverses the denominator effect.

Repair: Measure terminal-rate sensitivity on the same income premise.

Lessons 27. Source: S6 Lesson 27; original calculation.

76. Q2-P1-076 • Answer D

₱200,000.

A • That discounts only one period.

B • That ignores the date.

C • That compounds instead of discounts.

D • **Correct.** $242{,}000/1.10^2$ = ₱200,000.

Repair: Isolate the dated cash-flow change in a sensitivity test.

Lessons 27. Source: S4 time value; S6 Lesson 27.

Section P1 Answers and Explanations

Items 77–80 • Version 1.0

77. Q2-P1-077 • Answer D

The terminal value represents rights the subject does not hold.

A • A supported continuing interest may justify one.

B • The stipulated facts do not support that.

C • It still values nonexistent rights.

D • **Correct.** The finite interest ends without that reversion.

Repair: Match the terminal asset to the actual remaining rights.

Lessons 27. Source: S2 IVS 400; S6 Lesson 27.

78. Q2-P1-078 • Answer C

Whether the same risk effect is counted twice.

A • Direction alone does not establish sound treatment.

B • Relevant risk needs analysis.

C • **Correct.** Risk can enter at different stages but must remain coherent.

D • The economic effect remains the same.

Repair: Trace where each risk effect is represented in the model.

Lessons 27. Source: S1 IVS 103 income methods; S6 Lesson 27.

79. Q2-P1-079 • Answer D

₱8.0 million.

A • That subtracts a receipt.

B • That counts the operating flow twice.

C • That omits final operating cash flow.

D • **Correct.** 0.8 + 7.2 = ₱8m at year 3.

Repair: Reconcile operating and disposal flows without omission or duplication.

Lessons 27. Source: S6 Lesson 27; original calculation.

80. Q2-P1-080 • Answer C

Test the terminal assumptions and their influence, including appropriate sensitivity.

A • They measure different relationships.

B • Correct intermediate arithmetic does not validate the dominant premise.

C • **Correct.** A dominant unsupported component can control the whole indication.

D • Precision does not supply support.

Repair: Focus review on material drivers of the conclusion.

Lessons 27. Source: S1 IVS 103; S6 Lessons 27–28.

Section P1 Answers and Explanations

Items 81–84 • Version 1.0

81. Q2-P1-081 • Answer D

₱14 million.

A • That uses a profit-on-total-cost equation instead of the stated receipt base.

B • That omits profit.

C • That applies profit to the non-land costs instead of receipts.

D • **Correct.** Profit = 0.20 × 80 = 16; residual = 80 − 50 − 16 = ₱14m.

Repair: Identify the specified profit base before solving a residual.

Lessons 27, 28. Source: S6 Lesson 27; original calculation.

82. Q2-P1-082 • Answer A

₱84 million.

A • **Correct.** Total cost = 18 + 52 = ₱70m; required receipts = 70 × 1.20 = ₱84m.

B • That covers costs but omits the required profit.

C • That applies the return only to non-land costs: 70 + 52 × 0.20.

D • That solves a 20% profit-on-receipts premise, which is different.

Repair: Build the required receipts from the expressly defined total-cost return base.

Lessons 27, 28. Source: S6 Lesson 27; original calculation.

83. Q2-P1-083 • Answer D

₱10 million.

A • That omits development costs.

B • That treats the year-1 costs as time-zero outlays.

C • That subtracts undiscounted figures with different dates.

D • **Correct.** $24.2/1.10^2 - 11/1.10 = 20 - 10 = ₱10m$.

Repair: Discount receipts and outlays from their own dates in a residual model.

Lessons 27, 28. Source: S4 time value; S6 Lesson 27.

84. Q2-P1-084 • Answer A

₱3,000/m².

A • **Correct.** ₱9m ÷ 3,000 = ₱3,000/m².

B • That is a factor-of-ten error.

C • That uses an unsupported 1,000 m² denominator.

D • That reverses the quantities and scales them incorrectly.

Repair: Apply the residual to the expressly stated area basis.

Lessons 27, 28. Source: S6 Lesson 27; original calculation.

Section P1 Answers and Explanations

Items 85–88 • Version 1.0

85. Q2-P1-085 • Answer C

₱3.4 million.

A • That is the profit-allowance reduction alone.

B • That ignores the associated lower profit allowance.

C • **Correct.** Residual change = (70 − 66) × (1 − 0.15) = ₱3.4m.

D • That adds rather than offsets the profit change.

Repair: Recompute linked allowances when testing receipt sensitivity.

Lessons 27, 28. Source: S6 Lesson 27; original calculation.

86. Q2-P1-086 • Answer C

₱1.2 million shortfall.

A • The positive amount is below the stated ask.

B • That reverses the sign.

C • **Correct.** 5.0 − 6.2 = −₱1.2m.

D • That adds the residual and asking amount.

Repair: Separate a positive residual from feasibility at the acquisition terms.

Lessons 27, 28. Source: S6 Lesson 27; original calculation.

87. Q2-P1-087 • Answer C

Whether the development forecast captures the relevant amounts and timing through realization.

A • That does not establish realization timing.

B • That changes the assignment rather than repairs the forecast.

C • **Correct.** Completed receipts do not occur simply because they are listed.

D • Its actual model boundaries must be checked.

Repair: Model the credible development and realization path.

Lessons 27, 28. Source: S3 IVS 410; S6 Lesson 27.

88. Q2-P1-088 • Answer B

The unresolved consent and the stated scenario basis.

A • Financial output cannot supply it.

B • **Correct.** A residual calculation does not provide missing legal authority.

C • That is outside the valuation role.

D • Price and permission differ.

Repair: Keep development assumptions distinguishable from established rights.

Lessons 27, 28. Source: S3 IVS 410; S6 Lessons 27–28.

Section P1 Answers and Explanations

Items 89–92 • Version 1.0

89. Q2-P1-089 • Answer B

₱1 million.

A • That is the redevelopment net amount, not its advantage.

B • **Correct.** Redevelopment net = 28 − 14 = 14; advantage over retention = 14 − 13 = ₱1m.

C • That compares gross benefits with retention.

D • That reverses the comparison.

Repair: Distinguish an alternative's net indication from its incremental advantage.

Lessons 27, 28. Source: S6 Lessons 27–28; original calculation.

90. Q2-P1-090 • Answer C

The improved arithmetic remains conditional on an inadequately supported input.

A • Supported efficiencies may exist.

B • That reverses the evidential logic.

C • **Correct.** Model sensitivity is not evidence that the input is achievable.

D • Repetition does not provide independent support.

Repair: Separate the model's response from the credibility of the changed input.

Lessons 27, 28. Source: S3 IVS 410; S6 Lessons 27–28.

91. Q2-P1-091 • Answer D

₱16.8 million.

A • That is an equal-weight average.

B • That reverses the weights.

C • That sums the indications without weights.

D • **Correct.** 16 × 0.60 + 18 × 0.40 = ₱16.8m.

Repair: Calculate the specified exercise without making its weights a universal rule.

Lessons 28. Source: S6 Lesson 28; original calculation.

92. Q2-P1-092 • Answer B

About 13.33%.

A • That uses the higher indication.

B • **Correct.** Spread = 2; midpoint = 15; 2/15 × 100 = 13.33%.

C • The ₱2m spread is not itself a percentage.

D • That uses the lower indication as denominator.

Repair: Define a discrepancy measure and its denominator explicitly.

Lessons 28. Source: S6 Lesson 28; original calculation.

Section P1 Answers and Explanations

Items 93–96 • Version 1.0

93. Q2-P1-093 • Answer A

₱23.5 million.

A • Correct. ₱23.46m rounds to ₱23.5m at the stated increment.

B • That retains more precision than requested.

C • That truncates rather than rounds.

D • That rounds to a different increment.

Repair: Use the instructed reporting increment after completing the calculation.

Lessons 28. Source: S6 Lesson 28; original calculation.

94. Q2-P1-094 • Answer B

Resolve the inconsistent premises and investigate the causes of the differences.

A • Size does not establish appropriateness.

B • Correct. Weights cannot repair amounts answering different questions.

C • That does not reconcile the interests or dates.

D • An average can conceal incompatibility.

Repair: Make the indications comparable before drawing a combined conclusion.

Lessons 28. Source: S1 IVS 103; S6 Lesson 28.

95. Q2-P1-095 • Answer B

The relative support, limitations and reasoned reliance assigned to each approach.

A • The chosen basis and inputs still need support.

B • Correct. Different evidential strengths can affect reliance.

C • No universal equal-weight rule is supplied.

D • Its usefulness depends on the actual evidence.

Repair: Explain the evidential judgment underlying reconciliation.

Lessons 28. Source: S1 IVS 103; S6 Lesson 28.

96. Q2-P1-096 • Answer B

₱12.1 million.

A • That selects only the highest observation.

B • Correct. (11.8 + 12.1 + 12.4)/3 = ₱12.1m.

C • That is the sum before dividing by three.

D • That selects only the lowest observation.

Repair: Keep a diagnostic mean separate from the professional final reconciliation.

Lessons 28. Source: S6 Lesson 28; original calculation.

Section P1 Answers and Explanations

Items 97–100 • Version 1.0

97. Q2-P1-097 • Answer D

The two indications may share underlying evidence and are not fully independent confirmations.

A • Names do not establish independence.

B • That misstates the evidence base.

C • Its implications need reasoned assessment.

D • **Correct.** Different model forms can rely on the same observations.

Repair: Trace common inputs when evaluating corroboration.

Lessons 28. Source: S6 Lesson 28.

98. Q2-P1-098 • Answer D

Correct the model and review all affected indications and conclusions.

A • Weighting does not make the flawed amount sound.

B • That does not repair period conversion.

C • Accidental agreement does not validate it.

D • **Correct.** A known material arithmetic defect must be resolved.

Repair: Repair a known model error before judging convergence.

Lessons 28. Source: S1 IVS 103; S6 Lesson 28.

99. Q2-P1-099 • Answer A

Whether the indications refer to consistent use and condition assumptions for the subject.

A • **Correct.** Different use premises can produce legitimate differences requiring explanation.

B • That can combine incompatible alternatives.

C • It still needs a supported premise.

D • Exact agreement is not a general condition.

Repair: Reconcile the use scenario as well as the amount.

Lessons 28. Source: S2 IVS 400; S6 Lesson 28.

100. Q2-P1-100 • Answer A

The new evidence, changed assumptions and resulting effect on the conclusion.

A • **Correct.** The reader should be able to follow the material revision.

B • The history and revised evidence should remain traceable.

C • That omits the reason for the change.

D • A supported opinion is not such a guarantee.

Repair: Explain material changes coherently with the final assignment record.

Lessons 28. Source: S1 IVS 103; S2 IVS 400; S6 Lesson 28.

Section P1 Score Record

Name _____ Date _____ Version 1.0
Section score ____ / 100 = ____%; elapsed time _____
First / repeated _____ Open / closed book _____

Set	Correct	Primary lesson	Repair priority
A	____ / 10	24	_____
B	____ / 10	24	_____
C	____ / 10	25	_____
D	____ / 10	25	_____
E	____ / 10	26	_____
F	____ / 10	26	_____
G	____ / 10	27	_____
H	____ / 10	27	_____
I	____ / 10	27, 28	_____
J	____ / 10	28	_____

Interpret the result

Each set contains ten questions, so set percentage = correct × 10. A set percentage is a short diagnostic; use the specific errors and confidence notes to identify the underlying skill. Keep first and repeated attempts separate.

Section completion

Sales and adjustment errors repaired _____
Cost scope and depreciation errors repaired _____
Income and rate-definition errors repaired _____
Timing terminal and residual errors repaired _____
Reconciliation and model-review errors repaired _____

This complete volume contains all 400 topic-practice questions and two fresh 100-item mocks. Use the diagnostic records and lesson routes to repair errors, then attempt the mocks under recorded conditions.

Section P1 Error Repair Record

Use one entry for each error and each uncertain correct response. Keep the original answer visible while reconstructing the decision.

Item ID _____ Original answer ____ Correct answer ____

Decisive fact or model condition _____

Interest and valuation date _____

Formula adjustment direction or rule _____

Inputs units periods and denominator _____

Why the closest distractor fails _____

Source or lesson reviewed _____

Rebuilt calculation or reasoning _____

Fresh changed-facts retest _____

Outcome and next review date _____

Before Section 2

Be able to explain what each approach measures, identify incompatible inputs and distinguish a model output from a supported conclusion. Section 2 develops valuation procedures and research, including how evidence is selected, checked and recorded.

When an issue concerns a material source condition, cite the relevant edition and clause. When it concerns arithmetic, reproduce the calculation. Update all affected options and the exact version if an editorial correction is needed.

Section P1 Selected Sources and Currency Notes

Reference date 13 October 2026. Sources support the identified concepts; the questions supply their own fictional data. A conceptual source does not establish a national permission, tax determination or professional credential.

S1 ● IVSC IVS 103 Valuation Approaches

Effective 31 January 2025. Selected market, income and cost methods and model-consistency concepts. Professional reconciliation requires reasoned analysis; the fixed-weight and mean exercises here are arithmetic illustrations, not prescriptions. IVSC-authored text hosted by SAICA.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S2 ● IVSC IVS 400 Real Property Interests

Same identified IVS edition. Selected interest boundaries, units of comparison, lease cash flows, reversion and real-property method application. Apply governing Philippine requirements and the assignment scope.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S3 ● IVSC IVS 410 Development Property

Same identified IVS edition. Selected development-residual inputs, timing, realization, sensitivity and credibility. Simplified static models in the questions are stipulated exercises, not complete feasibility studies or development permissions.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

Read the applicable source edition and actual assignment conditions together. Cost, income and market methods must remain coherent with the chosen interest and basis of value. Material departures or limitations need appropriate analysis and communication.

Section P1 Selected Sources and Currency Notes

Reference date 13 October 2026. Sources support the identified concepts; the questions supply their own fictional data. A conceptual source does not establish a national permission, tax determination or professional credential.

S4 ● OpenStax Principles of Finance 2e

Section 7.1 supports the general time-value concept and section 16.2 the discounting and NPV background. All numerical cases and their inputs are newly authored; no textbook example, question, table or calculator sequence is reproduced.

https://openstax.org/books/principles-finance-2e/pages/7-1-now-versus-later-concepts
https://openstax.org/books/principles-finance-2e/pages/16-2-net-present-value-npv-method

S5 ● PRC July 2026 examination program

Page 1 identifies methodology of appraisal approaches within Professional Appraisal Practice. The subject carries 50% and a four-hour session. This topic section’s 100 questions and grouping are editorial; the applicable 2027 program and detailed TOS remain to be verified.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

S6 ● REALEX course and original exercises

Primary routes: Lessons 24–28. Adjustment conventions, depreciation fractions, model rates, probability weights, profit bases and dates are supplied premises. All 100 question records, including 66 numerical items, are original to this section.

Course route: REALEX Lessons 24–28

Read the applicable source edition and actual assignment conditions together. Cost, income and market methods must remain coherent with the chosen interest and basis of value. Material departures or limitations need appropriate analysis and communication.

Section 2 Valuation Procedures and Research

QUESTIONNAIRE 2 • Professional Appraisal Practice

48 original four-option questions
Q2-P2-001 to Q2-P2-048 • Content version 1.0
2027 Preparation Edition • Prepared 13 October 2026

This section applies Lessons 7, 9, 23, 28, 31 and 34 to assignment planning, inspection, verification, market research, statistical diagnostics and review. The task is to determine what evidence is needed, test what the records actually establish and keep conclusions within the supported scope.

Instructions

Select one best answer A–D under the stated facts. Attempt all 48 questions or one eight-item set at a time. Keep the key and explanations closed until review. Record elapsed time, first or repeated attempt and open- or closed-book conditions. No official PRC time allowance is assigned to this topic section.

Research and calculation conventions

The scenarios, observations and numerical inputs are fictional and newly authored. Definitions supplied in a question govern that exercise. A computed statistic describes its specified data; it does not automatically establish market value, legal entitlement or a population conclusion. Sample selection, verification and fitness for the research question still matter.

Keep observed facts, third-party statements and analytical assumptions distinct. State the relevant date, measurement unit and denominator. Unless the question specifies otherwise, amounts are pesos. Sample standard deviation uses n minus 1 in item 35; prediction error uses the expressly stated sign convention in item 40.

Book pages	Contents
74	Coverage and lesson routes
75	Answer sheet for all 48 items
76–87	48 questions four per page
88	Compact answer key
89–104	Answers and per-option explanations
105–106	Score and error repair records
107–109	Selected sources and currency notes

The published 2026 PRC program includes valuation procedures and research within Professional Appraisal Practice. The allocation of 48 questions and the six sets is editorial. The applicable 2027 program and detailed TOS remain to be verified. These are original practice questions, not actual or recalled PRC questions. [S8]

Section P2 Coverage and Lesson Routes

Set	Items	Competency	Lessons
A	1–8	Assignment definition and work planning	9, 34
B	9–16	Inspection and property investigation	23
C	17–24	Transaction verification and data management	23, 7
D	25–32	Market research and sampling	7, 23
E	33–40	Statistical analysis and model diagnostics	7, 31
F	41–48	Review documentation and communication	28, 34

Study routes

7 • Statistics and research: samples, measures, denominators and model diagnostics.
9 • Assignment context: intended use, users, rights, dates and assumptions.
23 • Investigation: identification, inspection, market evidence and workfile support.
28 • Review of indications: sensitivity, uncertainty and material corrections.
31 • Mass appraisal research: ratios, model performance and validation.
34 • Review and reporting: scope, findings, evidence trails and communication.

Research sequence

Define the question and subject. Plan the investigation and select sources. Record what was observed or supplied. Check identity, dates, terms and units. Analyse consistently defined data. Review the result against the scope and record the reasoning and limitations.

Evidence checks

Ask what proposition each record supports. A photograph may show condition without proving a legal right. A large dataset may be accurately processed yet unsuitable for the subject market. An interview may inform exploration without supporting a population percentage.

All 48 stems have been checked against Questionnaire 1’s 600 questions and Section P1’s 100 questions. The 12 numerical items have been independently recomputed. Difficulty labels are editorial intentions and have not been statistically calibrated.

Section P2 Answer Sheet

Items 1–48 • Version 1.0

Name _____ Date _____
Attempt no. _____ First / repeated _____
Open / closed book _____ Started _____ Finished _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	13	A B C D	25	A B C D	37	A B C D
2	A B C D	14	A B C D	26	A B C D	38	A B C D
3	A B C D	15	A B C D	27	A B C D	39	A B C D
4	A B C D	16	A B C D	28	A B C D	40	A B C D
5	A B C D	17	A B C D	29	A B C D	41	A B C D
6	A B C D	18	A B C D	30	A B C D	42	A B C D
7	A B C D	19	A B C D	31	A B C D	43	A B C D
8	A B C D	20	A B C D	32	A B C D	44	A B C D
9	A B C D	21	A B C D	33	A B C D	45	A B C D
10	A B C D	22	A B C D	34	A B C D	46	A B C D
11	A B C D	23	A B C D	35	A B C D	47	A B C D
12	A B C D	24	A B C D	36	A B C D	48	A B C D

After the attempt

Correct ____ / 48; blank ____; wrong ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson or research skill _____

Mark one response per item. Use separate working paper for calculations. This book awards one point for a correct answer and zero for wrong, blank or multiple responses; that is an editorial practice convention. Preserve your original responses before checking the key.

Set A Assignment definition and work planning

Items 1–4 • Select one best answer.

1. Q2-P2-001 • Set A

A hospital engagement lists land and buildings, but the client's asset spreadsheet also includes medical stock and patient receivables. Which opening work-plan action resolves the valuation subject?

A. Agree which assets and rights belong in this assignment before collecting their valuation inputs.

B. Include every spreadsheet row because the client supplied it.

C. Use the hospital's annual revenue as the asset inventory.

D. Value the land first and let the final number determine what was included.

2. Q2-P2-002 • Set A

A retrospective valuation concerns 30 June. A previously unannounced project is first announced on 20 August. The report is written in September. What treatment best preserves the June assignment?

A. Assess June conditions and separate the later announcement from information available to participants at that date.

B. Move the valuation date to September without changing the engagement.

C. Use the August announcement as though it had been public in June.

D. Discard all documents created after June without checking what they evidence.

3. Q2-P2-003 • Set A

The instruction requests the value of a tenant's remaining contractual interest. The analyst's first evidence request asks only for freehold land sales. What missing investigation is most directly material?

A. Obtain the owner's purchase price and use it as the tenant's value.

B. Request a freehold title and omit the lease because occupation is visible.

C. Obtain the lease terms, remaining duration and relevant rental evidence for the tenant's interest.

D. Count the buildings and assume that each has an identical lease.

4. Q2-P2-004 • Set A

A report was commissioned for internal acquisition screening. Before completion, the client asks to send it to a lender for credit approval. What is the strongest next procedural action?

A. Raise the valuation by the proposed loan amount to make it useful to the lender.

B. Add the bank's logo as evidence that the scope is adequate.

C. Replace the client name with the bank name and preserve the screening work automatically.

D. Revisit the intended use, intended users and supporting work before agreeing the changed deliverable.

Set A Assignment definition and work planning

Items 5–8 • Select one best answer.

5. Q2-P2-005 • Set A

An appraiser can analyse local rents but lacks the expertise to evaluate a suspected contamination issue that may affect value. Which work plan addresses the competence gap?

A. Arrange appropriately qualified specialist input and assess how its scope and findings affect the valuation.

B. Accept any contractor's one-line assurance without checking their expertise or investigation.

C. Assume no contamination because rental analysis is within the appraiser's expertise.

D. Copy a clean-site statement from a neighbouring property's report.

6. Q2-P2-006 • Set A

A client requests an additional value scenario assuming an extension already has permission, although the permission is currently pending. How should the work plan distinguish that scenario?

A. Change the inspection notes to show permission as an observed fact.

B. Treat a client request as proof that the authority granted permission.

C. Record the assumed permission explicitly and separate the scenario from the property's actual permission status.

D. Use the scenario as the only value without identifying its premise.

7. Q2-P2-007 • Set A

Access restrictions prevent investigation of the principal income-producing wing. Available records cannot establish its condition or usable area, and both could materially change the result. What should the appraiser address before proceeding?

A. Insert a standard access disclaimer and proceed without assessing the effect.

B. Preserve the original scope solely because the fee was agreed.

C. Use the other wing's area because it looks similar externally.

D. Whether revised access or other adequate evidence can support the assignment, and whether the engagement can credibly continue.

8. Q2-P2-008 • Set A

A review engagement asks whether another appraiser's evidence supports the reported conclusion. It does not request the reviewer's own independent valuation. Which deliverable fits this scope?

A. A statement that the reviewer would have charged a different fee.

B. A replacement valuation derived from one new asking price.

C. A reasoned review of the evidence and conclusion, with material findings and review limitations identified.

D. An endorsement based only on the original report's page count.

Set B Inspection and property investigation

Items 9–12 • Select one best answer.

9. Q2-P2-009 • Set B

Two adjoining warehouses have similar facades. The inspection photographs lack parcel identifiers, while the assignment names only the eastern parcel. What should be resolved first?

A. Combine both warehouses because their designs match.

B. Remove the parcel reference so the photographs can serve either building.

C. Use the clearer photographs regardless of which warehouse they show.

D. Link the inspected building to the instructed parcel using records and identifiable site features.

10. Q2-P2-010 • Set B

A floor plan labels 910 m² gross area; a leasing schedule labels 760 m² net lettable area. No conversion rule is supplied. Which investigation should precede a claim that one record is wrong?

A. Check the measurement definitions, coverage and dates of the two records.

B. Subtract the smaller figure and label the difference as missing property.

C. Average the figures to establish legal building area.

D. Replace the plan figure with the leasing figure because it is smaller.

11. Q2-P2-011 • Set B

Only the common corridor of a tenanted floor can be inspected. The tenant's rooms remain locked. Which inspection record is most defensible?

A. Delete the locked rooms from the property description.

B. Mark every room inspected because the corridor serves them.

C. Use an old photograph as a current direct observation without dating it.

D. Record the accessible areas, the rooms not observed and the evidence used for any statements about those rooms.

12. Q2-P2-012 • Set B

A satellite image was downloaded this month, but its metadata shows capture three years ago. A new annex is visible at today's site visit. Which record treatment is appropriate?

A. Date the satellite image this month because that is when it was saved.

B. Erase the capture date to avoid contradictory records.

C. Treat the annex as nonexistent because it is absent from the image.

D. Retain both dates and use the site observation to investigate the change since image capture.

Set B Inspection and property investigation

Items 13–16 • Select one best answer.

13. Q2-P2-013 • Set B

During an inspection, an appraiser observes a wide wall crack but has no structural engineering qualification. What is the strongest description and follow-up?

A. Describe and photograph the observed crack, then seek suitable technical investigation if its significance is material.

B. Omit the crack because the appraiser cannot determine its cause.

C. Certify foundation failure solely from the crack's appearance.

D. State that repainting proves the structure is sound.

14. Q2-P2-014 • Set B

A delivery vehicle reaches a site through a neighbour's driveway during inspection. No document establishes the site's legal access rights. What does that observation support?

A. Physical access occurred on that visit; the legal right to continue using the route remains to be investigated.

B. No physical access of any kind because no document was available.

C. A permanent access right because one vehicle passed through.

D. Ownership of the neighbour's driveway by the subject owner.

15. Q2-P2-015 • Set B

An owner's maintenance sheet states that the roof was replaced last year. The visible roof surface appears weathered, and no invoice or specification is supplied. Which investigation is most useful?

A. Ask what work was actually done, its coverage and date, and seek corroborating records.

B. Classify the whole building as new because the sheet says replaced.

C. Use weathering alone to determine the exact installation date.

D. Reject the owner's sheet without making any enquiry.

16. Q2-P2-016 • Set B

A drainage specialist's report concerns the adjacent parcel and a storm event ten years ago. The subject parcel has a different ground level. What should be checked before adopting the report's conclusion for the subject?

A. Adopt it without qualification because it was signed by a specialist.

B. Discard all specialist reports about adjoining land as irrelevant.

C. Whether its site coverage, date and technical findings can validly inform the subject's present investigation.

D. Apply its conclusion to the subject after changing only the parcel name.

Set C Transaction verification and data management

Items 17–20 • Select one best answer.

17. Q2-P2-017 • Set C

A transaction log records an offer, an accepted reservation and a completed conveyance as three stages of the same proposed purchase. The reservation later failed and a different buyer completed the conveyance. Which dataset treatment is appropriate?

A. Add the offer and reservation amounts to the completed price.

B. Keep only the highest amount without preserving transaction status.

C. Identify the stages and parties, and classify each record according to the event it actually evidences.

D. Label all three records as completed sales because each has an amount.

18. Q2-P2-018 • Set C

A broker confirms a transfer amount but says the buyer and seller belong to the same family. What additional verification most directly informs its use as market evidence?

A. Replace the consideration with a neighbourhood listing price without recording the change.

B. Investigate the parties' relationship, consideration, marketing and conditions of the transfer.

C. Assume the amount is market value because a broker confirmed the number.

D. Treat the transfer as fraudulent solely because the parties are relatives.

19. Q2-P2-019 • Set C

Two rental records both state ₱28,000 monthly. One includes a separately identified ₱3,000 service charge; the other excludes service charges. What data preparation is needed for a rent-only comparison?

A. Add ₱3,000 to both figures to make them comparable.

B. Deduct the charge from the exclusive record only.

C. Treat both as identical rent-only observations because their totals match.

D. Separate the charge and compare consistently defined rental amounts.

20. Q2-P2-020 • Set C

A source file reports amounts in thousands of pesos. A row shows 8,450, but the import labels that row as ₱8,450. Which correction is required?

A. Leave ₱8,450 because imports should not be modified.

B. Record ₱8,450,000 with the source unit and conversion preserved.

C. Record ₱8,450,000,000 because thousands must be applied twice.

D. Record ₱84,500 because the source is rounded.

Set C Transaction verification and data management

Items 21–24 • Select one best answer.

21. Q2-P2-021 • Set C

In a rental survey, a blank rent field means the respondent did not answer. A separate code means a verified rent-free arrangement. How should the blank be handled?

A. Preserve it as missing and distinguish it from the rent-free code.

B. Replace every blank with zero and include it as observed rent.

C. Delete the entire survey without examining the extent or pattern of missingness.

D. Replace the blank with the maximum observed rent.

22. Q2-P2-022 • Set C

A spreadsheet input shows a manually typed unit rate. The analyst has a source extract, a cleaning script and two revised datasets. What record most directly makes that input reproducible?

A. Record the analyst's initials but omit the data version.

B. Identify the source version, cleaning steps, selected records and calculation that produced the rate.

C. Retain only the final spreadsheet because it opens correctly.

D. Save the input as a screenshot and delete its calculation.

23. Q2-P2-023 • Set C

A national property database supplies many observations, but the filter has mixed completed rural land transfers with urban office leases. The subject is an urban office lease. What is the first relevance control?

A. Define and apply filters for the target interest, property segment, location and period.

B. Use the highest ten amounts as the most informative evidence.

C. Choose the first ten rows returned by the database.

D. Use every row because more data necessarily improves relevance.

24. Q2-P2-024 • Set C

A local agency's table is revised from preliminary to final figures. The final table changes the count of completed transfers materially. Which record treatment supports a current research result?

A. Change the total but leave every affected chart labelled preliminary.

B. Mix preliminary and final figures without identifying their releases.

C. Retain the used release date, compare the revision and update affected analysis with a trace of the change.

D. Keep the preliminary count solely because it supports the preferred conclusion.

Set D Market research and sampling

Items 25–28 • Select one best answer.

25. Q2-P2-025 • Set D

A study targets all occupied shops in a district. Its contact list contains only tenants who advertise online. Which research limitation follows from that frame?

A. There is no coverage problem if the online respondents answer honestly.

B. The only possible error is arithmetic in the rent average.

C. The frame is a census of all district shops by definition.

D. Shops without online advertisements may be excluded from selection, creating a coverage problem.

26. Q2-P2-026 • Set D

A known study population has 60 retail units and 40 office units. A plan calls for a 20-unit sample allocated in proportion to those counts. How many units should be drawn from each group?

A. 60 retail and 40 office.

B. 16 retail and 4 office.

C. 12 retail and 8 office.

D. 10 retail and 10 office.

27. Q2-P2-027 • Set D

Six experienced leasing agents are deliberately selected for interviews about emerging tenant requirements. What claim best fits that purposive research design?

A. The interviews are useless because they were not randomly selected.

B. The interviews provide informed perspectives from those selected agents, with limits on inference to all agents or tenants.

C. The responses establish the percentage of every district tenant sharing each view.

D. The number six guarantees the district's views are represented without bias.

28. Q2-P2-028 • Set D

A simplified research exercise contacts 50 known eligible landlords. Twenty return complete questionnaires; five of those twenty favour longer leases. Which descriptive statement uses the correct denominators?

A. Every contacted landlord is represented by the five favourable responses.

B. 10% of complete respondents favour longer leases.

C. Complete questionnaires are 40% of those contacted; 25% of complete respondents favour longer leases.

D. Complete questionnaires are 25% of those contacted; 40% favour longer leases.

Set D Market research and sampling

Items 29–32 • Select one best answer.

29. Q2-P2-029 • Set D

A tenant survey asks, Does the excellent new transport link make your rent affordable and your shop more profitable? What revision best improves measurement?

A. Keep the wording and add more response boxes.

B. Replace the transport link's name and preserve the combined wording.

C. Ask only whether the respondent agrees with the interviewer.

D. Ask neutral, separate questions about affordability and profitability, with a clear period and response choices.

30. Q2-P2-030 • Set D

A pilot rental questionnaire asks for floor area. Test respondents alternately report gross building area and leased internal area. What should change before the main survey?

A. Treat each respondent's interpretation as identical because both use m^2.

B. Average the two area concepts for every property without support.

C. Collect a larger sample using the same undefined field.

D. Define the required area measure and test whether respondents can supply it consistently.

31. Q2-P2-031 • Set D

Street rents rise after a transport upgrade, but zoning and building quality also change during the same period. What conclusion follows from the before-and-after observation alone?

A. The full rent increase is proved to have been caused by transport.

B. The timing is consistent with an association, but the transport upgrade's separate causal effect has not been isolated.

C. Transport is proved to have had no effect because other factors changed.

D. The zoning change can be ignored because it is not measured in pesos.

32. Q2-P2-032 • Set D

A rent-trend study compares last year's small secondary shops with this year's large prime shops and reports a market increase. What research repair most directly addresses the changing composition?

A. Call the two samples identical because both contain shops.

B. Use the larger current-year sample as proof that composition is irrelevant.

C. Compare consistently defined segments or control for the changed property mix before attributing the difference to time.

D. Convert both summaries to the same currency and assume the time effect is isolated.

Set E Statistical analysis and model diagnostics

Items 33–36 • Select one best answer.

33. Q2-P2-033 • Set E

Five verified monthly rent-only rates are ₱600, ₱620, ₱640, ₱660 and ₱1,480 per m². What is their median as a descriptive statistic?

A. ₱1,040/m².

B. ₱1,480/m².

C. ₱800/m².

D. ₱640/m².

34. Q2-P2-034 • Set E

Two leased spaces have rent-only monthly receipts of ₱18,000 for 100 m² and ₱54,000 for 200 m². What aggregate monthly rent per m² uses total receipts divided by total area?

A. ₱240/m².

B. ₱360/m².

C. ₱225/m².

D. ₱180/m².

35. Q2-P2-035 • Set E

Three observed monthly rental amounts, in thousands of pesos, are 90, 100 and 110. Using sample standard deviation with denominator n minus 1, what is the result?

A. ₱10,000.

B. ₱100,000.

C. About ₱8,165.

D. ₱20,000.

36. Q2-P2-036 • Set E

A rent dataset has a positive mean of ₱120,000 and a standard deviation of ₱12,000. What coefficient of variation follows from standard deviation divided by mean?

A. 1%.

B. 10%.

C. 1,000%.

D. 100%.

Set E Statistical analysis and model diagnostics

Items 37–40 • Select one best answer.

37. Q2-P2-037 • Set E

A screening file pairs an assessment amount of ₱1.8m with a verified sale price of ₱3m. Its defined ratio is assessment amount divided by sale price. Which result and interpretation are correct?

A. 40%; it is the assessment-to-sale ratio.

B. 166.67%; it is the assessment-to-sale ratio.

C. 60%; it is the defined assessment-to-sale ratio and does not by itself establish a statutory assessment level.

D. 60%; it automatically proves every similar property must use that assessment level.

38. Q2-P2-038 • Set E

A scatter plot flags one rent rate far above the rest. Source inspection shows that its spreadsheet area may be in hectares while the other rows use m². What should precede statistical exclusion?

A. Multiply every other row until they match the suspect observation.

B. Verify and correct any unit error, preserve the change and then reassess the observation's comparability.

C. Retain the suspected unit mismatch because outliers should never be changed.

D. Delete the row solely because it lies far from the fitted line.

39. Q2-P2-039 • Set E

A stipulated research equation predicts monthly rent in thousands of pesos as 20 plus 0.4 times area in m². For 120 m² within its stated data range, what predicted monthly rent follows?

A. ₱48,000.

B. ₱68.

C. ₱68,000.

D. ₱2,448,000.

40. Q2-P2-040 • Set E

A held-out rental observation is ₱1,000/m². A model predicts ₱950/m². The exercise defines percentage prediction error as predicted minus observed, divided by observed. What error follows?

A. Minus 50%; because the numeric difference is 50.

B. Minus 5%; the prediction is below the observed rate.

C. Minus 5.26%; using the required observed denominator.

D. Plus 5%; the prediction is above the observed rate.

Set F Review documentation and communication

Items 41–44 • Select one best answer.

41. Q2-P2-041 • Set F

A review plan tests whether an area conversion was applied consistently. The test finds several material rates were calculated using hectares as though they were m². What is the next review action?

A. Delete the test record after correcting one cell.

B. Trace the affected inputs and outputs, correct the conversion and repeat the relevant checks before concluding.

C. Record that a test was performed and mark the file complete without addressing its result.

D. Change only the printed unit labels while preserving the incorrect calculations.

42. Q2-P2-042 • Set F

A sensitivity exercise gives ₱15m under the base case and ₱13.8m when one research assumption changes. Relative to the base case, what is the change?

A. An 8% decrease.

B. An 8% increase.

C. An 8.70% decrease using the required base denominator.

D. A 1.2% decrease.

43. Q2-P2-043 • Set F

A rent model reproduces its development sample closely, but no performance check has been made on reserved observations. What additional research most directly tests predictive performance outside the fitting sample?

A. Remove every development observation the model fits poorly and call the result independently validated.

B. Report the fitting sample's accuracy as proof of equal accuracy on all other properties.

C. Evaluate predictions on suitable held-out observations and investigate systematic errors.

D. Add more decimal places to the fitted coefficients.

44. Q2-P2-044 • Set F

A research summary concludes that all small shops in the town have low vacancy. Its evidence consists of eight fully occupied shops selected from one prime street. What should the review challenge?

A. Whether the title font is large enough to make the town-wide claim clear.

B. Whether eight observations can be relabelled as eighty by counting ten visits each.

C. Whether full occupancy proves that no other town street has vacancies.

D. Whether the selection and geographic coverage support the town-wide small-shop claim.

Set F Review documentation and communication

Items 45–48 • Select one best answer.

45. Q2-P2-045 • Set F

A dataset version used in a report incorrectly counted three subdivided units as six. A corrected version changes an occupancy chart and one valuation input. Which update is most defensible?

A. Overwrite the old file and claim the original count was correct.

B. Preserve the earlier version, identify the correction and update the affected chart, input and reasoning consistently.

C. Correct the chart but leave the derived valuation input unchanged.

D. Keep both values in the final table without explaining which is operative.

46. Q2-P2-046 • Set F

Research finds very few recent transactions for an unusual property. The analyst proposes adding the same fixed uncertainty percentage used on an unrelated office assignment. What should the review require?

A. A statement that the unrelated percentage is statistically calibrated without testing.

B. An explanation tied to this property's evidence gaps, assumptions and their material effect on the conclusion.

C. Acceptance because a fixed percentage makes all reports comparable.

D. Removal of all uncertainty discussion because the valuation still has a point estimate.

47. Q2-P2-047 • Set F

Tenant interviews contain names, telephone numbers and commercially sensitive lease terms. A research summary needs only aggregated rent findings. Which publication decision best fits that purpose?

A. Invent anonymous responses so the actual evidence need not be retained.

B. Publish the needed aggregate findings, respect the agreed confidentiality arrangements and avoid unnecessary identifying details.

C. Promise anonymity and then identify each tenant in the published appendix.

D. Publish every contact detail to prove that interviews occurred.

48. Q2-P2-048 • Set F

A workfile contains 300 residential rent records, a careful cleaning log and verified dates. The report uses them to conclude an industrial land sale value without explaining any connection between the markets. What is the central review issue?

A. The cleaning log proves the industrial land conclusion is correct.

B. The dates make residential rents interchangeable with industrial land prices.

C. The sample must be adequate because 300 is a large number.

D. The records may be well managed but do not yet support the different asset and market conclusion.

Section P2 Compact Answer Key

Items 1–48 • Version 1.0. Review after finishing.

Item	Key	Item	Key	Item	Key	Item	Key
1	A	13	A	25	D	37	C
2	A	14	A	26	C	38	B
3	C	15	A	27	B	39	C
4	D	16	C	28	C	40	B
5	A	17	C	29	D	41	B
6	C	18	B	30	D	42	A
7	D	19	D	31	B	43	C
8	C	20	B	32	C	44	D
9	D	21	A	33	D	45	B
10	A	22	B	34	A	46	B
11	D	23	A	35	A	47	B
12	D	24	C	36	B	48	D

Check the reasoning

Section percentage = correct / 48 × 100. Keep the first attempt visible. Review uncertain correct responses as well as errors. Name the decisive fact, evidence limitation or denominator before accepting the answer.

A section score describes performance on these questions under the recorded conditions. It does not establish an examination passing result, ranking or a real property valuation.

Section P2 Answers and Explanations

Items 1–3 • Version 1.0

1. Q2-P2-001 • Answer A

Agree which assets and rights belong in this assignment before collecting their valuation inputs.

A • Correct. The work plan needs a defined asset boundary; a spreadsheet is not itself an instruction to value every row.

B • The schedule can contain items outside the agreed subject.

C • Revenue does not identify the assets and rights being valued.

D • The subject should govern the analysis rather than emerge from its result.

Repair: Define the subject before constructing the evidence request.

Lessons 9, 34. Source: S1 IVS 101 section 20; original scenario.

2. Q2-P2-002 • Answer A

Assess June conditions and separate the later announcement from information available to participants at that date.

A • Correct. A later report date does not move the valuation date; investigate whether later evidence sheds light on June rather than importing the new event into June.

B • That answers a different assignment.

C • That introduces knowledge the stated June market did not have.

D • A later document can corroborate an earlier condition; its creation date alone does not settle relevance.

Repair: Distinguish the date of evidence from the date of the condition it establishes.

Lessons 9, 34. Source: S2 RICS comparable evidence section 3.3.2; S1 IVS 101 20.01(g).

3. Q2-P2-003 • Answer C

Obtain the lease terms, remaining duration and relevant rental evidence for the tenant's interest.

A • It describes a different acquisition and potentially a different interest.

B • Observation of occupation cannot establish the tenant's full terms.

C • Correct. The requested right has a term and obligations that freehold land observations alone do not describe.

D • Physical count does not establish contractual rights.

Repair: Research the actual right named in the assignment.

Lessons 9, 34. Source: S1 IVS 400 sections 20 and 40; original scenario.

Section P2 Answers and Explanations

Items 4–6 • Version 1.0

4. Q2-P2-004 • Answer D

Revisit the intended use, intended users and supporting work before agreeing the changed deliverable.

A • The requested reliance does not justify such a value change.

B • Branding does not establish adequacy.

C • A name change does not assess whether the work supports lending reliance.

D • Correct. A new reliance purpose can require a changed scope; distribution is not just a formatting request.

Repair: Treat a material change of reliance as a scope decision.

Lessons 9, 34. Source: S1 IVS 101 section 20; original scenario.

5. Q2-P2-005 • Answer A

Arrange appropriately qualified specialist input and assess how its scope and findings affect the valuation.

A • Correct. Specialist work can address a technical gap; the appraiser still evaluates its relevance to the assignment.

B • A conclusion needs an appropriate source and scope.

C • Competence in rents does not resolve the environmental question.

D • A different property is not evidence of this site's condition.

Repair: Match the specialist's capability and investigation to the material issue.

Lessons 9, 34. Source: S1 IVS 104 section 20; original scenario.

6. Q2-P2-006 • Answer C

Record the assumed permission explicitly and separate the scenario from the property's actual permission status.

A • Inspection cannot turn a pending decision into an approval.

B • A request does not establish the authority's decision.

C • Correct. The analytical premise differs from the stated present fact and should remain visible to the reader.

D • That conceals the condition on which the result depends.

Repair: Label an assumed condition separately from verified facts.

Lessons 9, 34. Source: S1 IVS 101 20.01(k) and IVS 102 section 50; original scenario.

Section P2 Answers and Explanations

Items 7–9 • Version 1.0

7. Q2-P2-007 • Answer D

Whether revised access or other adequate evidence can support the assignment, and whether the engagement can credibly continue.

A • A disclaimer cannot resolve an unassessed material information gap.

B • Commercial terms do not establish evidential sufficiency.

C • External resemblance does not verify the inaccessible wing's usable area.

D • **Correct.** A stated limitation does not itself supply the missing evidence or make any resulting opinion adequate.

Repair: Test whether the available investigation supports the intended conclusion.

Lessons 9, 34. Source: S1 IVS 400 40.07; original scenario.

8. Q2-P2-008 • Answer C

A reasoned review of the evidence and conclusion, with material findings and review limitations identified.

A • Fees do not answer whether the valuation evidence supports the conclusion.

B • That neither completes the evidence review nor supports an independent value.

C • **Correct.** The review answers the agreed question; an independent value would require its own scope and supporting analysis.

D • Report length is not a test of evidence or reasoning.

Repair: Identify what the review is required to examine and conclude.

Lessons 9, 34. Source: S1 IVS 101 section 30 and IVS 106 section 40; original scenario.

9. Q2-P2-009 • Answer D

Link the inspected building to the instructed parcel using records and identifiable site features.

A • Similarity does not expand the instructed property.

B • Removing an identifier conceals rather than resolves the mismatch.

C • Image quality cannot establish subject identity.

D • **Correct.** A clear property match is needed before observations can support this assignment.

Repair: Establish subject identity before using inspection evidence.

Lessons 23. Source: S2 RICS comparable evidence section 4; original scenario.

Section P2 Answers and Explanations

Items 10–12 • Version 1.0

10. Q2-P2-010 • Answer A

Check the measurement definitions, coverage and dates of the two records.

A • Correct. Different area concepts can legitimately differ; investigate what each number measures.

B • The difference may arise from area definitions rather than missing space.

C • An average does not resolve definitions or legal extent.

D • Size alone is not a reliability criterion.

Repair: Compare definitions before treating unequal measurements as errors.

Lessons 23. Source: S2 RICS comparable evidence section 6.1; original scenario.

11. Q2-P2-011 • Answer D

Record the accessible areas, the rooms not observed and the evidence used for any statements about those rooms.

A • Limited access does not prove that the rooms are outside the property.

B • Access to a corridor is not observation inside each room.

C • An earlier image is a different evidence type and date.

D • Correct. The record should distinguish direct observation from information supplied by others.

Repair: Separate observed conditions from unobserved areas and third-party information.

Lessons 23. Source: S1 IVS 101 20.01(i); original scenario.

12. Q2-P2-012 • Answer D

Retain both dates and use the site observation to investigate the change since image capture.

A • That misstates when the physical evidence was captured.

B • Removing timing information weakens interpretation.

C • A historical image cannot disprove a later observed addition.

D • Correct. Download time is not image capture time; the discrepancy can reflect construction during the intervening period.

Repair: Record when evidence was captured as well as when it was obtained.

Lessons 23. Source: S7 original evidence-timing exercise; Lesson 23.

Section P2 Answers and Explanations

Items 13–15 • Version 1.0

13. Q2-P2-013 ● Answer A

Describe and photograph the observed crack, then seek suitable technical investigation if its significance is material.

A ● Correct. The observation is evidence of a visible condition; diagnosis of cause and structural adequacy needs appropriate expertise.

B ● Lack of diagnostic expertise does not erase a potentially material observation.

C ● The stated observation does not establish that technical diagnosis.

D ● A cosmetic remedy does not establish structural adequacy.

Repair: Distinguish an observed defect from a specialist diagnosis.

Lessons 23. Source: S7 original inspection exercise; Lesson 23.

14. Q2-P2-014 ● Answer A

Physical access occurred on that visit; the legal right to continue using the route remains to be investigated.

A ● Correct. Observed use and the enforceable right to use a route are different propositions.

B ● The trip is physical evidence, although it does not settle rights.

C ● A single observed trip cannot establish permanence or legal entitlement.

D ● The observation does not identify ownership.

Repair: Keep physical observation separate from the investigation of rights.

Lessons 23. Source: S7 original property-investigation exercise; Lesson 23.

15. Q2-P2-015 ● Answer A

Ask what work was actually done, its coverage and date, and seek corroborating records.

A ● Correct. Replacement, partial repair and surface treatment can have different meanings and condition implications.

B ● A roof statement does not establish every component's age.

C ● Appearance cannot establish a precise date by itself.

D ● The discrepancy calls for investigation rather than automatic rejection.

Repair: Verify the scope of a claimed improvement rather than relying on its label.

Lessons 23. Source: S2 RICS comparable evidence section 4; original scenario.

Section P2 Answers and Explanations

Items 16–18 • Version 1.0

16. Q2-P2-016 ● Answer C

Whether its site coverage, date and technical findings can validly inform the subject's present investigation.

A ● Signature alone does not resolve asset and time differences.

B ● Neighbouring evidence may inform enquiry if its applicability is assessed.

C ● Correct. Specialist expertise does not make a report applicable to every nearby asset or period.

D ● That changes the document's stated coverage without new investigation.

Repair: Assess the applicability of specialist evidence to the actual property and date.

Lessons 23. Source: S1 IVS 104 section 20; original scenario.

17. Q2-P2-017 ● Answer C

Identify the stages and parties, and classify each record according to the event it actually evidences.

A ● Those stages are not extra consideration established by the facts.

B ● Selection by price conceals the different events.

C ● Correct. The log mixes negotiations and completion; the records should not all be labelled completed sales.

D ● An amount does not establish completion.

Repair: Code transaction status before extracting completed-sale evidence.

Lessons 23, 7. Source: S2 RICS comparable evidence sections 3 and 4; original scenario.

18. Q2-P2-018 ● Answer B

Investigate the parties' relationship, consideration, marketing and conditions of the transfer.

A ● An unrelated asking price does not verify the transfer.

B ● Correct. The relationship raises questions about transaction conditions; it does not establish the answer by itself.

C ● A confirmed amount is not confirmation of market conditions.

D ● Relationship alone does not establish fraud.

Repair: Verify transaction circumstances as well as the recorded amount.

Lessons 23, 7. Source: S2 RICS comparable evidence section 4; original scenario.

Section P2 Answers and Explanations

Items 19–21 • Version 1.0

19. Q2-P2-019 • Answer D

Separate the charge and compare consistently defined rental amounts.

A • That does not remove the inclusive record's service component.

B • That adjusts the record which does not include the charge.

C • The totals cover different components.

D • **Correct.** Equal totals can represent different components; the rent-only measure is ₱25,000 for the inclusive record and ₱28,000 for the exclusive record.

Repair: Normalize included components before comparing rental evidence.

Lessons 23, 7. Source: S7 original data-preparation exercise; Lessons 7 and 23.

20. Q2-P2-020 • Answer B

Record ₱8,450,000 with the source unit and conversion preserved.

A • A known unit error requires correction and a trace of the change.

B • **Correct.** 8,450 thousands equals 8,450 × 1,000 = ₱8.45m; the label lost the scale.

C • That applies the scale twice.

D • That multiplies by ten rather than one thousand.

Repair: Check the source's presentation unit before using imported numbers.

Lessons 23, 7. Source: S7 original unit-control calculation; Lesson 7.

21. Q2-P2-021 • Answer A

Preserve it as missing and distinguish it from the rent-free code.

A • **Correct.** No response is not a measured zero; mixing them would change the observed rent distribution.

B • That invents a rent-free observation.

C • A missing field calls for assessed treatment, not automatic abandonment of all data.

D • That invents an unsupported amount.

Repair: Keep missing responses separate from genuine zero values.

Lessons 23, 7. Source: S3 AAPOR best practices analysing results; original scenario.

Section P2 Answers and Explanations

Items 22–24 • Version 1.0

22. Q2-P2-022 • Answer B

Identify the source version, cleaning steps, selected records and calculation that produced the rate.

A • Authorship alone cannot identify which records were used.

B • **Correct.** A reproducible trail connects the original data through transformations to the used input.

C • File readability does not explain how the input was derived.

D • An image preserves appearance without the derivation.

Repair: Trace each material input through its source and transformation history.

Lessons 23, 7. Source: S7 original reproducibility exercise; Lessons 7 and 23.

23. Q2-P2-023 • Answer A

Define and apply filters for the target interest, property segment, location and period.

A • **Correct.** Volume cannot make incompatible observations suitable for the stated research question.

B • Selection by amount can bias the research and retain incompatible records.

C • Retrieval order is not a relevance criterion.

D • An enlarged mixed dataset can answer the wrong question.

Repair: Specify inclusion criteria that match the research question.

Lessons 23, 7. Source: S2 RICS comparable evidence sections 3 and 4; original scenario.

24. Q2-P2-024 • Answer C

Retain the used release date, compare the revision and update affected analysis with a trace of the change.

A • That creates inconsistency between the evidence, analysis and presentation.

B • That combines records with unresolved definitions and versions.

C • **Correct.** The analyst needs to know which release supports the result and what the material revision changes.

D • Preference is not a reason to ignore a material final release.

Repair: Control source releases and propagate material revisions through the analysis.

Lessons 23, 7. Source: S7 original source-version exercise; Lesson 23.

Section P2 Answers and Explanations

Items 25–27 • Version 1.0

25. Q2-P2-025 • Answer D

Shops without online advertisements may be excluded from selection, creating a coverage problem.

A • Accurate answers do not include shops absent from the frame.

B • The research can be biased before any average is calculated.

C • The list is restricted to advertisers.

D • **Correct.** The contact frame does not necessarily cover the defined population, even if the selected contacts all respond.

Repair: Compare the sampling frame with the target population.

Lessons 7, 23. Source: S3 AAPOR best practices designing the sample; original scenario.

26. Q2-P2-026 • Answer C

12 retail and 8 office.

A • Those are the population counts, not a 20-unit sample.

B • That produces an 80:20 allocation rather than 60:40.

C • **Correct.** Retail allocation = 20 × 60/100 = 12; office allocation = 20 × 40/100 = 8. Selection within each group remains a separate design decision.

D • That gives equal rather than proportional group counts.

Repair: Compute the stated allocation separately from the method of selecting units.

Lessons 7, 23. Source: S7 original proportional-allocation calculation; Lesson 7.

27. Q2-P2-027 • Answer B

The interviews provide informed perspectives from those selected agents, with limits on inference to all agents or tenants.

A • A purposive design can answer an exploratory question with appropriate limits.

B • **Correct.** Expert selection can inform exploratory research without establishing a probability sample of the whole market.

C • The design does not support that population estimate.

D • Sample count does not establish representativeness.

Repair: Match the conclusion to the selection method and research purpose.

Lessons 7, 23. Source: S3 AAPOR best practices designing the sample; original scenario.

Section P2 Answers and Explanations

Items 28–30 • Version 1.0

28. Q2-P2-028 • Answer C

Complete questionnaires are 40% of those contacted; 25% of complete respondents favour longer leases.

A • The nonrespondents' preferences are unknown.

B • 5/50 = 10% uses all contacts rather than complete respondents.

C • Correct. 20/50 = 40%; 5/20 = 25%. These are stipulated descriptive proportions, not a full AAPOR outcome-rate calculation or a population estimate.

D • The two denominators have been exchanged.

Repair: Name the denominator and distinguish respondents from the target population.

Lessons 7, 23. Source: S7 original descriptive-proportions calculation; Lesson 7.

29. Q2-P2-029 • Answer D

Ask neutral, separate questions about affordability and profitability, with a clear period and response choices.

A • Extra boxes do not resolve leading language or the combined concepts.

B • A renamed subject does not repair the question design.

C • That measures agreement pressure rather than the intended outcomes.

D • Correct. The original wording praises the link and joins two outcomes; separating them allows distinct responses.

Repair: Use neutral wording and measure one concept at a time.

Lessons 7, 23. Source: S3 AAPOR best practices questionnaire design; original scenario.

30. Q2-P2-030 • Answer D

Define the required area measure and test whether respondents can supply it consistently.

A • A common unit does not mean a common measure.

B • That creates a third measure that was not defined or observed.

C • More observations do not resolve incompatible area concepts.

D • Correct. The pilot reveals a measurement ambiguity that affects comparability of the resulting rates.

Repair: Use pilot findings to repair ambiguous field definitions.

Lessons 7, 23. Source: S3 AAPOR best practices pretesting; original scenario.

Section P2 Answers and Explanations

Items 31–33 • Version 1.0

31. Q2-P2-031 • Answer B

The timing is consistent with an association, but the transport upgrade's separate causal effect has not been isolated.

A • The stated design does not isolate that cause.

B • **Correct.** Other simultaneous changes offer alternative explanations; the observation alone does not separate their contributions.

C • Confounding limits identification; it does not prove zero effect.

D • A nonmonetary characteristic can still influence rents.

Repair: Separate observed association from an identified causal contribution.

Lessons 7, 23. Source: S7 original research-design exercise; Lesson 7.

32. Q2-P2-032 • Answer C

Compare consistently defined segments or control for the changed property mix before attributing the difference to time.

A • The broad use label does not reconcile location and scale.

B • Sample size does not remove a changed mix.

C • **Correct.** Different locations and unit characteristics can change the summary even if comparable rents do not rise.

D • Currency consistency does not control the property mix.

Repair: Distinguish a market time change from a sample-composition change.

Lessons 7, 23. Source: S7 original market-trend exercise; Lessons 7 and 23.

33. Q2-P2-033 • Answer D

₱640/m².

A • That is the midpoint of the minimum and maximum, not the median.

B • That is the largest observation, not the middle one.

C • That is the arithmetic mean: the five rates total ₱4,000 and 4,000/5 = 800.

D • **Correct.** The ordered middle observation is ₱640; the descriptive median is not by itself a subject valuation.

Repair: Identify the ordered middle rather than substitute the mean or mid-range.

Lessons 7, 31. Source: S4 NIST measures of location; S7 original calculation.

Section P2 Answers and Explanations

Items 34–36 • Version 1.0

34. Q2-P2-034 • Answer A

₱240/m².

A • Correct. Total receipts are ₱72,000 and total area is 300 m²; 72,000/300 = ₱240/m².

B • That divides total receipts by only the larger space's area.

C • That is the unweighted average of the individual rates ₱180 and ₱270.

D • That reports only the smaller space's rate.

Repair: Use the requested aggregate denominator rather than an unweighted unit average.

Lessons 7, 31. Source: S7 original aggregate-rate calculation; Lesson 7.

35. Q2-P2-035 • Answer A

₱10,000.

A • Correct. Mean = 100; squared deviations total 200; sample variance = 200/2 = 100 and its square root is 10 thousand pesos.

B • That confuses the mean or the numeric variance with the standard deviation.

C • That uses the population denominator n = 3 rather than the stipulated sample denominator.

D • That is the range, not the sample standard deviation.

Repair: Distinguish the mean, variance, range and sample standard deviation.

Lessons 7, 31. Source: S5 NIST measures of scale; S7 original calculation.

36. Q2-P2-036 • Answer B

10%.

A • That introduces a factor-of-ten error.

B • Correct. 12,000/120,000 × 100 = 10%; it describes relative spread for this stated positive-mean dataset.

C • That reverses the ratio to mean divided by standard deviation.

D • The standard deviation is one tenth of the mean, not equal to it.

Repair: Express relative spread using the stated numerator and denominator.

Lessons 7, 31. Source: S7 original coefficient-of-variation calculation; Lessons 7 and 31.

Section P2 Answers and Explanations

Items 37–39 • Version 1.0

37. Q2-P2-037 • Answer C

60%; it is the defined assessment-to-sale ratio and does not by itself establish a statutory assessment level.

A • That is the shortfall from 100%, not the requested ratio.

B • That reverses the defined ratio.

C • **Correct.** 1.8/3 × 100 = 60%; the computed ratio describes these two amounts, not the legal authority or classification behind them.

D • The ratio does not establish such a statutory rule.

Repair: Keep a diagnostic ratio separate from a legally prescribed assessment level.

Lessons 7, 31. Source: S7 original ratio-screening calculation; Lesson 31.

38. Q2-P2-038 • Answer B

Verify and correct any unit error, preserve the change and then reassess the observation's comparability.

A • That spreads a possible error through the dataset.

B • **Correct.** The apparent extreme may be a data-processing error rather than an economically unusual observation.

C • A verified processing error should be corrected, with its history retained.

D • A statistical flag does not identify the reason for the extreme.

Repair: Investigate a flagged observation before deciding to correct or exclude it.

Lessons 7, 31. Source: S6 NIST detection of outliers; original scenario.

39. Q2-P2-039 • Answer C

₱68,000.

A • That omits the intercept of 20 thousand pesos.

B • That ignores the output unit of thousands of pesos.

C • **Correct.** 20 + 0.4 × 120 = 68 thousand pesos. This computes the supplied equation; it does not independently validate the model.

D • That multiplies the intercept into the area term rather than adding it.

Repair: Track model coefficients, operations and output units.

Lessons 7, 31. Source: S7 original supplied-model calculation; Lessons 7 and 31.

Section P2 Answers and Explanations

Items 40–42 • Version 1.0

40. Q2-P2-040 • Answer B

Minus 5%; the prediction is below the observed rate.

A • The raw difference is ₱50/m², not 50% of the observed rate.

B • Correct. (950 − 1,000)/1,000 × 100 = −5%. The sign follows the exercise's specified convention.

C • That divides the shortfall by the prediction, 950, instead of the observed 1,000.

D • That reverses both the sign and direction.

Repair: State the error sign and reference denominator before interpreting model performance.

Lessons 7, 31. Source: S7 original prediction-error calculation; Lessons 7 and 31.

41. Q2-P2-041 • Answer B

Trace the affected inputs and outputs, correct the conversion and repeat the relevant checks before concluding.

A • That removes the basis for identifying and resolving related errors.

B • Correct. A material control failure can affect calculations beyond the first flagged cell.

C • The existence of a test does not resolve the failure it detected.

D • Relabelling does not correct the numerical conversion.

Repair: Follow a failed check through all materially affected calculations.

Lessons 28, 34. Source: S7 original quality-control exercise; Lessons 28 and 34.

42. Q2-P2-042 • Answer A

An 8% decrease.

A • Correct. (13.8 − 15)/15 × 100 = −8%. It is a scenario change, not a probability or confidence level.

B • The changed result is lower than the base.

C • That divides 1.2 by 13.8 rather than by the stated base of 15.

D • ₱1.2m is the amount of the decrease, not its percentage.

Repair: Identify the reference case when computing sensitivity.

Lessons 28, 34. Source: S7 original sensitivity calculation; Lesson 28.

Section P2 Answers and Explanations

Items 43–45 • Version 1.0

43. Q2-P2-043 ● Answer C

Evaluate predictions on suitable held-out observations and investigate systematic errors.

A ● Selective removal from the fitting sample is not a separate predictive test.

B ● Performance on fitting data does not establish that broader claim.

C ● Correct. A separate test can reveal performance not demonstrated by the same records used to fit the model.

D ● Precision of display does not test prediction quality.

Repair: Separate model fitting from evaluation on observations not used in fitting.

Lessons 7, 31, 34. Source: S7 original validation-design exercise; Lessons 7 and 31.

44. Q2-P2-044 ● Answer D

Whether the selection and geographic coverage support the town-wide small-shop claim.

A ● Typography does not repair the inference.

B ● Repeated visits do not create eighty distinct shops.

C ● The selected shops do not establish that fact elsewhere.

D ● Correct. The evidence describes the selected prime-street shops; the claim extends beyond that coverage.

Repair: Align the geographic and population claim with the evidence actually collected.

Lessons 28, 34. Source: S3 AAPOR best practices sampling; S7 original scenario.

45. Q2-P2-045 ● Answer B

Preserve the earlier version, identify the correction and update the affected chart, input and reasoning consistently.

A ● That conceals the error and revision history.

B ● Correct. A traceable correction links the changed records to all affected outputs without concealing the prior state.

C ● The affected outputs would remain inconsistent.

D ● Unexplained alternatives do not establish the corrected result.

Repair: Propagate corrections while preserving a clear version history.

Lessons 28, 34. Source: S7 original correction-control exercise; Lessons 28 and 34.

Section P2 Answers and Explanations

Items 46–48 • Version 1.0

46. Q2-P2-046 • Answer B

An explanation tied to this property's evidence gaps, assumptions and their material effect on the conclusion.

A • The stated proposal supplies no calibration evidence.

B • Correct. The uncertainty discussion should reflect the actual assignment rather than an unsupported borrowed percentage.

C • Uniform display does not establish a suitable uncertainty measure.

D • A point estimate can coexist with material evidential limitations.

Repair: Connect uncertainty to the specific evidence and assumptions being used.

Lessons 28, 34. Source: S7 original uncertainty-review exercise; Lessons 28 and 34.

47. Q2-P2-047 • Answer B

Publish the needed aggregate findings, respect the agreed confidentiality arrangements and avoid unnecessary identifying details.

A • Confidentiality does not justify fabricating data.

B • Correct. The purpose does not require disclosure of contact details or identification of individual lease responses; follow applicable permission and privacy requirements.

C • That contradicts the stated promise.

D • Full identification is not necessary for the stated summary purpose.

Repair: Plan what may be disclosed separately from the evidence retained for analysis.

Lessons 28, 34. Source: S3 AAPOR best practices ethics; original scenario.

48. Q2-P2-048 • Answer D

The records may be well managed but do not yet support the different asset and market conclusion.

A • Processing controls do not establish substantive relevance.

B • Time consistency does not remove the different economic measure.

C • Count alone does not reconcile market and asset differences.

D • Correct. Data quality and traceability do not establish fitness for an unrelated valuation question.

Repair: Test relevance to the conclusion as well as accuracy of processing.

Lessons 28, 34. Source: S7 original integrated research-review exercise; Lessons 28 and 34.

Section P2 Score Record

Name _____ Date _____ Version 1.0
Section score ____ / 48 = ____%; elapsed time _____
First / repeated _____ Open / closed book _____

Set	Correct	Lessons	Repair priority
A	____ / 8	9, 34	_____
B	____ / 8	23	_____
C	____ / 8	23, 7	_____
D	____ / 8	7, 23	_____
E	____ / 8	7, 31	_____
F	____ / 8	28, 34	_____

Interpret the result

Each set contains eight questions: set percentage = correct / 8 × 100. Each answer changes that percentage by 12.5 points, so use the specific errors and confidence notes rather than treating a short-set percentage as a calibrated measure of mastery.

Section completion

Assignment and scope errors repaired _____
Inspection and verification errors repaired _____
Sampling and measurement errors repaired _____
Statistical and model-check errors repaired _____
Review and communication errors repaired _____

This complete volume contains all 400 topic-practice questions and two fresh 100-item mocks. Use the diagnostic records and lesson routes to repair errors, then attempt the mocks under recorded conditions.

Section P2 Error Repair Record

Use one entry for each error and each uncertain correct response. Keep the original answer visible while reconstructing the decision.

Item ID _____ Original answer ____ Correct answer ____

Decisive fact or research condition _____

What the evidence establishes _____

What remains unverified _____

Population frame date unit or denominator _____

Why the closest distractor fails _____

Source or lesson reviewed _____

Rebuilt calculation or reasoning _____

Fresh changed-facts retest _____

Outcome and next review date _____

Before Section 3

Be able to define a research question, identify a suitable evidence source and explain what the selected data can support. The mathematics section will develop calculations across appraisal applications; carry forward the discipline of naming units, periods and denominators.

For a correction, identify the affected record and version, preserve the prior state and update the key, options and explanations together. An arithmetic repair should not conceal a separate source or scope problem.

Section P2 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify the conceptual background; the scenarios and data are original to this section. Read the actual source edition and applicable assignment requirements together.

S1 ● IVSC International Valuation Standards

Effective 31 January 2025. Selected references: IVS 101 scope; IVS 102 assumptions; IVS 104 specialist input; IVS 106 review; IVS 400 interests and investigation. IVSC-authored edition hosted by SAICA. The scenarios apply the concepts without reproducing the standard or its examples.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S2 ● RICS Comparable evidence in real estate valuation

First edition, effective October 2019; reissued as a professional standard in April 2023. Sections 3–6 support evidence enquiry, verification, recording and common comparison measures. The publisher page still identifies the first edition for use while the second edition is in consultation. These references are conceptual, not an assertion that RICS rules govern every Philippine assignment.

https://www.rics.org/profession-standards/rics-standards-and-guidance/sector-standards/valuation-standards/comparable-evidence-in-real-estate-valuation

S3 ● AAPOR Best Practices for Survey Research

Sections on sample design, questionnaire wording, pretesting, ethics and analysing results support the research questions. Survey concepts are applied to newly authored property scenarios. The simplified contact proportions in item 28 are not presented as standardized AAPOR response rates.

https://aapor.org/standards-and-ethics/best-practices/

Section P2 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify the conceptual background; the scenarios and data are original to this section. Read the actual source edition and applicable assignment requirements together.

S4 • NIST Measures of Location

NIST/SEMATECH e-Handbook section 1.3.5.1. Descriptive measures provide background for item 33. Its observations and every numerical example in this section are newly authored. A descriptive median is not a prescribed appraisal reconciliation method.

https://itl.nist.gov/div898/handbook/eda/section3/eda351.htm

S5 • NIST Measures of Scale

NIST/SEMATECH e-Handbook section 1.3.5.6. Sample variance and standard deviation provide background for item 35. The question specifies the sample denominator explicitly; it does not ask for a population standard deviation.

https://itl.nist.gov/div898/handbook/eda/section3/eda356.htm

S6 • NIST Detection of Outliers

NIST/SEMATECH e-Handbook section 1.3.5.17. Background for investigating flagged records rather than equating a statistical flag with an established error. Item 38 tests a suspected unit mismatch; no formal distribution-specific outlier threshold is prescribed.

https://itl.nist.gov/div898/handbook/eda/section3/eda35h.htm

Section P2 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify the conceptual background; the scenarios and data are original to this section. Read the actual source edition and applicable assignment requirements together.

S7 • REALEX original research scenarios and calculations

Primary routes: Lessons 7, 9, 23, 28, 31 and 34. All 48 questions and choices are original. Twelve numerical items use fictional observations and supplied definitions. Model prediction, diagnostic ratios, sensitivity and sample summaries are distinguished from professional conclusions or legal determinations.

Course route: REALEX Lessons 7, 9, 23, 28, 31 and 34

S8 • PRC July 2026 examination program

Page 1 identifies valuation procedures and research within Professional Appraisal Practice, which carries 50% of the examination. This section's 48-item allocation is editorial. The applicable 2027 program and detailed TOS remain to be verified.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

Source use and interpretation

International professional guidance and general research methods do not by themselves determine Philippine title rights, regulatory permissions or statutory assessment treatment. The questions ask what to investigate, calculate or communicate under their stated facts.

No purchased question bank, source questionnaire or recalled licensure examination item is used as a template. The originality check covers the 700 already completed questions in this series; it does not claim an exhaustive comparison with every question published elsewhere.

Section 3 Practical Appraisal Mathematics

QUESTIONNAIRE 2 • Professional Appraisal Practice

60 original four-option questions
Q2-P3-001 to Q2-P3-060 • Content version 1.0
2027 Preparation Edition • Prepared 13 October 2026

This section applies Lessons 6–7, 24–27, 29 and 32–33 to appraisal computations. Work from defined inputs to a result with the correct amount, unit, timing and interpretation. Every question has a worked calculation and explanations of the three distractors.

Instructions

Select one best answer A–D under the stated facts. Attempt all 60 questions or one six-item set at a time. Keep the key and explanations closed until review. Record elapsed time and whether this is a first or repeated, open- or closed-book attempt. No official PRC time allowance is assigned to this topic section.

Calculation conventions

All scenarios, amounts and rates are fictional supplied inputs. Carry intermediate precision; round only at the final step as the question specifies. Amounts marked m are millions; m² denotes area. Express percentages as decimals when multiplying or dividing monetary amounts. One hectare is 10,000 m².

Time zero means now. A stated year-end flow occurs at the end of that year; match the periodic rate to the number of periods. Simple interest and compound interest are separate models. Use the explicitly supplied depreciation, profit and tax bases; those exercise premises do not establish statutory rates or professional model suitability.

Book pages	Contents
111	Coverage and lesson routes
112	Answer sheet for all 60 items
113–127	60 questions four per page
128	Compact answer key
129–148	Worked answers and per-option explanations
149–150	Score and error repair records
151–153	Selected sources and currency notes

The 2026 PRC program includes practical appraisal mathematics within Professional Appraisal Practice. This section's 60 questions and ten groups are editorial allocations. The applicable 2027 program and detailed TOS remain to be verified. These are original practice items, not actual or recalled PRC questions. [S9]

Section P3 Coverage and Lesson Routes

Set	Items	Competency	Lessons
A	1–6	Units areas and percentage bases	6, 33
B	7–12	Descriptive statistics and error measures	7
C	13–18	Interest discounting and annuities	6
D	19–24	Loan payments balances and coverage	6, 27
E	25–30	Sales evidence and adjustment mathematics	24
F	31–36	Cost depreciation and equipment calculations	25, 29
G	37–42	Income capitalization and rental calculations	26
H	43–48	Cash flow development and sensitivity	27
I	49–54	Assessment and tax arithmetic	32
J	55–60	Map scale coordinates and development geometry	33

Study routes

6 • Units, percentage bases, interest and payment calculations.
7 • Descriptive statistics, weighting and diagnostic measures.
24 • Cash-equivalent prices, adjustments, extraction and index ratios.
25 • Cost components, deduction sequence and improvement losses.
26 • Rent periods, operating income and capitalization.
27 • Debt constraints, dated cash flows, residuals and sensitivity.
29 • Installed equipment cost and stipulated depreciation.
32 • Assessment and tax arithmetic under supplied assumptions.
33 • Scale, coordinate geometry, bearings, grade and development capacity.

Check before accepting an answer

Name the requested output. Identify the base, unit and date of each input. Draw a cash-flow schedule where timing matters. Solve with intermediate precision, then round and interpret the answer. A correct numerical result does not independently prove a real property value, permission or statutory liability.

All 60 numerical items have been independently recomputed. The stems were checked against Questionnaire 1’s 600 questions and Sections P1–P2’s 148 questions. Difficulty labels are editorial intentions and have not been statistically calibrated.

Section P3 Answer Sheet

Items 1–60 • Version 1.0

Name _____ Date _____
Attempt no. _____ First / repeated _____
Open / closed book _____ Started _____ Finished _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	16	A B C D	31	A B C D	46	A B C D
2	A B C D	17	A B C D	32	A B C D	47	A B C D
3	A B C D	18	A B C D	33	A B C D	48	A B C D
4	A B C D	19	A B C D	34	A B C D	49	A B C D
5	A B C D	20	A B C D	35	A B C D	50	A B C D
6	A B C D	21	A B C D	36	A B C D	51	A B C D
7	A B C D	22	A B C D	37	A B C D	52	A B C D
8	A B C D	23	A B C D	38	A B C D	53	A B C D
9	A B C D	24	A B C D	39	A B C D	54	A B C D
10	A B C D	25	A B C D	40	A B C D	55	A B C D
11	A B C D	26	A B C D	41	A B C D	56	A B C D
12	A B C D	27	A B C D	42	A B C D	57	A B C D
13	A B C D	28	A B C D	43	A B C D	58	A B C D
14	A B C D	29	A B C D	44	A B C D	59	A B C D
15	A B C D	30	A B C D	45	A B C D	60	A B C D

After the attempt

Correct ____ / 60; blank ____; wrong ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson or calculation _____

Mark one response per item. Use separate working paper. This book awards one point for a correct answer and zero for wrong, blank or multiple responses; that is an editorial practice convention. Keep your initial working for review.

Set A Units areas and percentage bases

Items 1–4 • Select one best answer.

1. Q2-P3-001 • Set A

A 1.8 ha project deducts 2,400 m² for roads and a separate 1,600 m² for other reservations. The deductions do not overlap. What net area remains under this exercise?

A. 22,000 m².

B. 18,000 m².

C. 14,000 m².

D. 1,400 m².

2. Q2-P3-002 • Set A

A 150 m² space rents for ₱420/m² each month. A stipulated rental-loss allowance is 10% of its annual potential rent, with no other income or expenses. What annual collected rent does the model predict?

A. ₱680,400.

B. ₱756,000.

C. ₱75,600.

D. ₱56,700.

3. Q2-P3-003 • Set A

A trapezoidal parcel has parallel frontage and rear boundaries of 18 m and 30 m. Their perpendicular separation is 40 m. What plan area follows?

A. 1,920 m².

B. 1,200 m².

C. 720 m².

D. 960 m².

4. Q2-P3-004 • Set A

A price first rises 12% and then falls 12% of the increased price. What net percentage change remains relative to the original price?

A. A 1.44% increase.

B. No change.

C. A 1.44% decrease.

D. A 24% decrease.

Sets A and B Practice Questions

Items 5–8 • Select one best answer.

5. Q2-P3-005 • Set A

A cost-based exercise spends ₱900,000 and receives ₱1,080,000. What is profit as a percentage of cost, rather than of receipts?

A. 16.67%.

B. 20%.

C. 83.33%.

D. 120%.

6. Q2-P3-006 • Set A

A fictional transfer converts SAR 320,000 at a supplied ₱15 per SAR and deducts ₱250,000 of fees after conversion. What net peso amount remains? The rate is an exercise input.

A. ₱1,050,000.

B. ₱5,050,000.

C. ₱4,550,000.

D. ₱4,800,000.

7. Q2-P3-007 • Set B

Eight ordered observed rates are 12, 13, 13, 14, 16, 18, 20 and 22, in thousands of pesos per m². What is the descriptive median?

A. ₱14,000/m².

B. ₱13,000/m².

C. ₱16,000/m².

D. ₱15,000/m².

8. Q2-P3-008 • Set B

A stated trimmed-mean rule removes exactly one observation from each end of the ordered series 10, 12, 14, 16, 18 and 50. What mean remains in the same units?

A. 30.

B. 15.

C. 20.

D. 12.

Set B Descriptive statistics and error measures

Items 9–12 • Select one best answer.

9. Q2-P3-009 • Set B

One leased block has 250 m² at ₱600/m² monthly; another has 750 m² at ₱520/m² monthly. What area-weighted monthly rate applies to the combined 1,000 m²?

A. ₱560/m².

B. ₱540/m².

C. ₱520/m².

D. ₱600/m².

10. Q2-P3-010 • Set B

Four rental observations in thousands of pesos are 2, 4, 6 and 8. Using sample standard deviation, what result follows to the nearest peso?

A. ₱6,667.

B. ₱2,236.

C. ₱2,582.

D. ₱6,000.

11. Q2-P3-011 • Set B

A dataset's quartiles have already been calculated under its stated method: Q1 = ₱250/m² and Q3 = ₱750/m². What is its interquartile range?

A. 300%.

B. ₱1,000/m².

C. ₱500/m².

D. ₱250/m².

12. Q2-P3-012 • Set B

A diagnostic defines residual as observed minus predicted rent. Observed rent is ₱650/m², predicted rent is ₱600/m² and the supplied residual standard deviation is ₱25/m². What standardized residual follows?

A. Plus 50.

B. Minus 2.

C. Plus 2.

D. Plus 26.

Set C Interest discounting and annuities

Items 13–16 • Select one best answer.

13. Q2-P3-013 • Set C

A ₱1.25m advance earns simple interest at 6% per year for 18 months, with no interim repayment. What interest alone is due at the end?

A. ₱112,500.

B. ₱1,350,000.

C. ₱75,000.

D. ₱1,362,500.

14. Q2-P3-014 • Set C

A ₱2m reserve compounds annually at 8% for three years, with no further deposits or withdrawals. What accumulated interest, excluding the initial reserve, results?

A. ₱519,424.

B. ₱2,519,424.

C. ₱160,000.

D. ₱480,000.

15. Q2-P3-015 • Set C

A settlement of ₱1.08m is payable exactly two years from now. At an 8% annual discount rate, what amount paid now is equivalent? Round to the nearest peso.

A. ₱925,926.

B. ₱1,166,400.

C. ₱1,000,000.

D. ₱907,200.

16. Q2-P3-016 • Set C

A quoted nominal annual rate is 12%, compounded quarterly. What effective annual rate results, to four decimal places in percent?

A. 12.0000%.

B. 48.0000%.

C. 3.0000%.

D. 12.5509%.

Sets C and D Practice Questions

Items 17–20 • Select one best answer.

17. Q2-P3-017 • Set C

A lease settlement offers ₱260,000 now in place of three year-end receipts of ₱100,000 at years 1, 2 and 3. Using a 10% annual discount rate, how far is the immediate offer above or below the receipts' present amount? Round to the nearest peso.

A. ₱13,554 below.

B. Exactly equal.

C. ₱40,000 below.

D. ₱11,315 above.

18. Q2-P3-018 • Set C

Deposits of ₱50,000 occur at times 0, 1 and 2 years. They earn 5% annually and remain until time 3. What total balance exists at time 3, to the nearest peso?

A. ₱150,000.

B. ₱165,506.

C. ₱173,782.

D. ₱157,625.

19. Q2-P3-019 • Set D

A ₱1m loan is fully repaid by two equal year-end payments at 10% annually. With no fees, what is each payment to the nearest peso?

A. ₱500,000.

B. ₱550,000.

C. ₱576,190.

D. ₱600,000.

20. Q2-P3-020 • Set D

A ₱1m loan accrues 10% annual interest. A ₱600,000 payment is made at the end of year 1. The remaining balance plus year-2 interest is paid at the end of year 2. What is that final balloon payment?

A. ₱1,100,000.

B. ₱440,000.

C. ₱550,000.

D. ₱500,000.

Set D Loan payments balances and coverage

Items 21–24 • Select one best answer.

21. Q2-P3-021 • Set D

A ₱2.4m loan charges a nominal 6% annual rate with monthly interest. The first month-end payment is ₱20,000, with no other charges. What principal reduction does that payment make?

A. ₱144,000.

B. ₱20,000.

C. ₱12,000.

D. ₱8,000.

22. Q2-P3-022 • Set D

A ₱2m loan accrues 6% annually. Three payments of ₱500,000 are made at the ends of years 1, 2 and 3. What balance remains immediately after the third payment?

A. ₱790,232.

B. ₱500,000.

C. ₱860,000.

D. ₱1,290,232.

23. Q2-P3-023 • Set D

A property has annual NOI of ₱1.68m and twelve monthly debt-service payments of ₱120,000. Defining DSCR as annual NOI divided by annual debt service, what ratio follows to four decimals?

A. 1.1667.

B. 1.4000.

C. 0.8571.

D. 14.0000.

24. Q2-P3-024 • Set D

A stipulated lending screen limits debt to 65% of a ₱12m value and also requires DSCR of at least 1.25. Annual NOI is ₱0.9m; annual debt service equals 10% of the loan. What maximum loan satisfies both limits?

A. ₱9 million.

B. ₱7.8 million.

C. ₱7.2 million.

D. ₱15 million.

Set E Sales evidence and adjustment mathematics

Items 25–28 • Select one best answer.

25. Q2-P3-025 • Set E

A transaction requires ₱2m now and ₱5.5m exactly one year later. At a stipulated 10% annual rate for the deferred portion, what cash-equivalent total consideration follows?

A. ₱6.818 million.

B. ₱7.5 million.

C. ₱8.05 million.

D. ₱7 million.

26. Q2-P3-026 • Set E

A comparison calculation starts at ₱8m, applies a 6% time increase to that base, then deducts a supported ₱200,000 difference. What net peso adjustment above the original base results?

A. ₱680,000.

B. ₱480,000.

C. ₱8,280,000.

D. ₱280,000.

27. Q2-P3-027 • Set E

Two controlled sales differ in price by ₱750,000. The superior sale includes a feature being studied and a separate verified advantage worth ₱250,000. With no other differences, what contributory amount is isolated for the studied feature?

A. ₱500,000.

B. ₱750,000.

C. ₱1,000,000.

D. ₱250,000.

28. Q2-P3-028 • Set E

A stipulated price-index method restates a ₱6m sale from an index of 120 to an index of 132. What time-restated amount follows?

A. ₱5.455 million.

B. ₱7.2 million.

C. ₱6.6 million.

D. ₱6.72 million.

Sets E and F Practice Questions

Items 29–32 • Select one best answer.

29. Q2-P3-029 • Set E

An additive grid uses a ₱10m common base with adjustments of +5%, −4% and +3%. What is the gross absolute adjustment amount, rather than the net adjustment?

A. ₱0.8 million.

B. ₱10.4 million.

C. ₱1.2 million.

D. ₱0.4 million.

30. Q2-P3-030 • Set E

A ₱18m package includes ₱2.4m of equipment and ₱0.6m of movable stock. The supported balance is allocated entirely to 1,500 m² of land. What allocated land unit rate follows?

A. ₱10,400/m².

B. ₱10,000/m².

C. ₱8,000/m².

D. ₱12,000/m².

31. Q2-P3-031 • Set F

A supplied cost model deducts ₱0.2m of curable work from ₱12m cost new first, then retains 80% of that balance. Land is separately ₱4m. No deduction overlaps. What total indication results?

A. ₱13.6 million.

B. ₱13.44 million.

C. ₱13.4 million.

D. ₱9.44 million.

32. Q2-P3-032 • Set F

A component model has shell cost new ₱5m retained at 80%, services cost new ₱2m retained at 50%, and separate land ₱3m. What total follows?

A. ₱6.5 million.

B. ₱5 million.

C. ₱10 million.

D. ₱8 million.

Set F Cost depreciation and equipment calculations

Items 33–36 • Select one best answer.

33. Q2-P3-033 • Set F

A simplified straight-line age-life model has zero residual, cost new ₱10m, retained improvement value ₱6m and total economic life 40 years. What effective age is implied?

A. 16 years.

B. 4 years.

C. 40 years.

D. 24 years.

34. Q2-P3-034 • Set F

A machine costs USD 45,000 at a supplied ₱56/USD. Freight is ₱180,000 and installation ₱300,000, both in pesos. The model retains 75% of the full installed cost. What amount remains?

A. ₱2.37 million.

B. ₱2.25 million.

C. ₱3 million.

D. ₱1.89 million.

35. Q2-P3-035 • Set F

A machine's stipulated straight-line model uses cost new ₱6m, terminal residual ₱0.6m, economic life 20 years and effective age 5 years. What retained amount results?

A. ₱5.4 million.

B. ₱4.65 million.

C. ₱1.35 million.

D. ₱4.5 million.

36. Q2-P3-036 • Set F

A stipulated plant model starts at ₱8m, retains 75% after physical loss, then deducts ₱1m of nonoverlapping functional loss. It next retains 90% of the remaining balance for an external effect. What final amount follows?

A. ₱5 million.

B. ₱4.5 million.

C. ₱4.2 million.

D. ₱4.4 million.

Set G Income capitalization and rental calculations

Items 37–40 • Select one best answer.

37. Q2-P3-037 • Set G

A model requires annual NOI equal to 8% of a ₱9m target indication. Operating expenses are ₱720,000 annually. Available rental area is 600 m²; collected rent is 90% of potential rent. With no other income, what monthly potential rent per m² is needed? Round to two decimals.

A. ₱111.11/m².

B. ₱222.22/m².

C. ₱200.00/m².

D. ₱2,666.67/m².

38. Q2-P3-038 • Set G

A 400 m² property has potential rent ₱750/m² monthly and rental loss of 8% of that rent. Unaffected parking income is ₱200,000 annually; operating expenses are ₱1.1m annually. What NOI results?

A. ₱2.412 million.

B. ₱3.512 million.

C. ₱2.396 million.

D. ₱2.7 million.

39. Q2-P3-039 • Set G

A supported model capitalizes compatible annual NOI of ₱2.1m at 8.4%. What value follows?

A. ₱17.64 million.

B. ₱25 million.

C. ₱0.1764 million.

D. ₱0.25 million.

40. Q2-P3-040 • Set G

A stipulated capital model targets an overall capitalization rate of 10%. Debt supplies 70% of capital at an 8.5% mortgage constant; equity supplies the remaining 30%. What equity capitalization rate balances the weighted equation?

A. 5.95%.

B. 10.0%.

C. 4.05%.

D. 13.5%.

Sets G and H Practice Questions

Items 41–44 • Select one best answer.

41. Q2-P3-041 • Set G

Monthly gross rent is ₱125,000. A supplied annual gross-rent multiplier is 12. The exercise deducts an outstanding ₱12m loan from the indicated asset amount, with no other claims. What equity amount results?

A. ₱30 million.

B. ₱6 million.

C. Minus ₱10.5 million.

D. ₱18 million.

42. Q2-P3-042 • Set G

NOI remains ₱1.6m while a direct-cap rate rises from 8% to 9%. Relative to the original indication, what percentage decrease results? Round to two decimals.

A. 11.11%.

B. 10.00%.

C. 1.00%.

D. 12.50%.

43. Q2-P3-043 • Set H

A project costs ₱4m now and returns ₱2.2m at year 1 and ₱2.42m at year 2, with no other flows. At 10% annually, what is NPV?

A. ₱0.

B. ₱4 million.

C. Minus ₱4 million.

D. ₱0.62 million.

44. Q2-P3-044 • Set H

A DCF ends at year 3. Next-year NOI is ₱1.44m and the exit cap rate is 9%. Selling costs are 5% of gross terminal value. What is the present contribution of the net terminal receipt at a 10% discount rate, to the nearest peso?

A. ₱10,381,806.

B. ₱15,200,000.

C. ₱11,419,985.

D. ₱12,021,037.

Set H Cash flow development and sensitivity

Items 45–48 • Select one best answer.

45. Q2-P3-045 • Set H

A static development model has receipts ₱90m and non-land costs ₱60m. Required profit equals 20% of total cost including the land amount being solved. Ignoring timing, what land allowance balances the model?

A. ₱30 million.

B. ₱12 million.

C. ₱18 million.

D. ₱15 million.

46. Q2-P3-046 • Set H

A development pays ₱12m for land now, pays ₱16.5m of non-land costs at year 1 and receives ₱30.25m at year 2. No other flows apply. At 10% annually, what NPV follows?

A. Minus ₱12 million.

B. Minus ₱2 million.

C. ₱1.75 million.

D. ₱10 million.

47. Q2-P3-047 • Set H

A project has only an initial outlay of ₱5m and a receipt of ₱6.05m at the end of year 2. What annual compounded IRR makes its NPV zero?

A. 21%.

B. 10.5%.

C. 10%.

D. 5%.

48. Q2-P3-048 • Set H

A static residual uses receipts minus ₱30m costs minus profit of 20% of receipts. Receipts fall from ₱50m to ₱45m; costs remain unchanged. What percentage decrease in the land residual results, relative to its original amount?

A. 40%.

B. 50%.

C. 10%.

D. 66.67%.

Set I Assessment and tax arithmetic

Items 49–52 • Select one best answer.

49. Q2-P3-049 • Set I

A fictional assessment exercise supplies land FMV ₱3m at a 20% assessment level and building FMV ₱5m at a 40% level. What combined assessed amount follows? These are supplied inputs, not asserted statutory levels.

A. ₱1.6 million.

B. ₱8 million.

C. ₱3.2 million.

D. ₱2.6 million.

50. Q2-P3-050 • Set I

A fictional tax model uses assessed value ₱2.4m, basic rate 1% and a separate education-fund rate 1%, both on assessed value. The exercise charges exactly nine twelfths of the annual total. What amount results?

A. ₱48,000.

B. ₱18,000.

C. ₱432,000.

D. ₱36,000.

51. Q2-P3-051 • Set I

A fictional annual tax is ₱60,000. The model specifies a combined tax rate of 2.5% on assessed value and an assessment level of 40% of FMV. What FMV is implied?

A. ₱0.96 million.

B. ₱1.5 million.

C. ₱2.4 million.

D. ₱6 million.

52. Q2-P3-052 • Set I

A fictional collection exercise charges simple penalty of 2% per month on ₱80,000 principal for four months, with no compounding or cap. What total principal plus penalty follows?

A. ₱86,400.

B. ₱81,600.

C. ₱86,595.

D. ₱6,400.

Sets I and J Practice Questions

Items 53–56 • Select one best answer.

53. Q2-P3-053 • Set I

A fictional annual charge of ₱24,000 is divided into twelve equal monthly installments. Nine installments have been paid, with no penalties or discounts. What balance remains?

A. ₱18,000.

B. ₱2,000.

C. ₱6,000.

D. ₱24,000.

54. Q2-P3-054 • Set I

A defined assessment-to-sale ratio is initially ₱3m divided by ₱5m. Corrected figures are ₱3.3m divided by ₱5.5m. What change occurs in the ratio, measured in percentage points?

A. An increase of 6 percentage points.

B. A decrease of 6 percentage points.

C. Zero percentage points.

D. An increase of 10 percentage points.

55. Q2-P3-055 • Set J

On a 1:2,500 plan, a rectangular parcel measures 3.2 cm by 4.8 cm. What ground area does the scale imply?

A. 9,600 m².

B. 960,000 m².

C. 384 m².

D. 15.36 m².

56. Q2-P3-056 • Set J

A simple closed parcel polygon has ordered metre coordinates (0,0), (40,0), (40,30), (10,30), (10,10) and (0,10). What area is enclosed?

A. 1,200 m².

B. 1,000 m².

C. 900 m².

D. 2,000 m².

Set J Map scale coordinates and development geometry

Items 57–60 • Select one best answer.

57. Q2-P3-057 • Set J

Two points differ by 80 m east and 60 m north on an orthogonal local grid. Ignoring elevation and projection effects, what horizontal separation follows?

A. 20 m.

B. 70 m.

C. 140 m.

D. 100 m.

58. Q2-P3-058 • Set J

A 200 m line bears N 30° E on an orthogonal grid. What northward and eastward components follow, to two decimals?

A. 100.00 m north and 173.21 m east.

B. 173.21 m north and 100.00 m east.

C. 200.00 m north and 200.00 m east.

D. 173.21 m south and 100.00 m west.

59. Q2-P3-059 • Set J

An access route rises from elevation 12 m to 15 m over a horizontal run of 75 m. What percentage grade results?

A. 4%.

B. 25%.

C. 3%.

D. 20%.

60. Q2-P3-060 • Set J

A hypothetical development envelope permits FAR 3.5 on 900 m² of land and limits each floor to 675 m². Ignoring all other constraints, what minimum whole number of floors can accommodate the full FAR area?

A. 3 floors.

B. 4 floors.

C. 6 floors.

D. 5 floors.

Section P3 Compact Answer Key

Items 1–60 • Version 1.0. Review after finishing.

Item	Key	Item	Key	Item	Key	Item	Key
1	C	16	D	31	B	46	B
2	A	17	D	32	D	47	C
3	D	18	B	33	A	48	A
4	C	19	C	34	B	49	D
5	B	20	C	35	B	50	D
6	C	21	D	36	B	51	D
7	D	22	A	37	B	52	A
8	B	23	A	38	A	53	C
9	B	24	C	39	B	54	C
10	C	25	D	40	D	55	A
11	C	26	D	41	B	56	B
12	C	27	A	42	A	57	D
13	A	28	C	43	A	58	B
14	A	29	C	44	C	59	A
15	A	30	B	45	D	60	D

Check the working as well as the letter

Section percentage = correct / 60 × 100. Preserve first-attempt responses. For errors and uncertain correct responses, reconstruct the formula, inputs, timing, unit and final rounding before looking at the worked answer.

A score describes performance on this set under the recorded conditions. It does not certify an examination passing result, ranking or a real property valuation.

Section P3 Worked Answers and Explanations

Items 1–3 • Version 1.0

1. Q2-P3-001 • Answer C

14,000 m².

A • That adds the reservations rather than deducting them.

B • That is the gross area before the stated deductions.

C • **Correct.** 1.8 ha = 18,000 m²; subtract 2,400 and 1,600 to obtain 14,000 m².

D • That loses a factor of ten in the hectare conversion.

Repair: Convert all areas to one unit before subtracting nonoverlapping deductions.

Lessons 6, 33. Source: S7 original units and area exercise; Lessons 6 and 33.

2. Q2-P3-002 • Answer A

₱680,400.

A • **Correct.** Potential rent = 150 × 420 × 12 = ₱756,000; retained rent = 756,000 × 0.90 = ₱680,400.

B • That omits the stated rental loss.

C • That is the annual loss allowance, not retained rent.

D • That is the retained monthly amount rather than the annual amount.

Repair: Apply the loss to the defined annual rent base.

Lessons 6, 33. Source: S7 original unit-period calculation; Lesson 6.

3. Q2-P3-003 • Answer D

960 m².

A • That omits division of the two widths' sum by two.

B • That uses only the 30 m rear boundary.

C • That uses only the 18 m frontage.

D • **Correct.** Average parallel width = (18 + 30)/2 = 24 m; area = 24 × 40 = 960 m².

Repair: Use average parallel width with the perpendicular separation.

Lessons 6, 33. Source: S7 original trapezoid calculation; Lessons 6 and 33.

Section P3 Worked Answers and Explanations

Items 4–6 • Version 1.0

4. Q2-P3-004 • Answer C

A 1.44% decrease.

A • The compounded factor is below one.

B • Equal percentage changes on different bases do not cancel.

C • **Correct.** The retained factor is 1.12 × 0.88 = 0.9856; the change from 1 is −0.0144, or −1.44%.

D • That adds both percentages as losses.

Repair: Track the changing percentage base before comparing the final and initial amounts.

Lessons 6, 33. Source: S7 original sequential-percentage exercise; Lesson 6.

5. Q2-P3-005 • Answer B

20%.

A • That divides the profit by receipts of ₱1,080,000.

B • **Correct.** Profit = 1,080,000 − 900,000 = ₱180,000; profit/cost = 180,000/900,000 = 20%.

C • That is cost divided by receipts.

D • That is receipts divided by cost, including recovery of cost.

Repair: Distinguish the profit margin base from the markup base.

Lessons 6, 33. Source: S7 original profit-base exercise; Lesson 6.

6. Q2-P3-006 • Answer C

₱4,550,000.

A • That treats the peso fees as SAR before conversion.

B • That adds the fees.

C • **Correct.** 320,000 × 15 = ₱4,800,000; deduct ₱250,000 to obtain ₱4,550,000.

D • That omits the fees.

Repair: Convert the specified currency amount before applying a fee in the destination currency.

Lessons 6, 33. Source: S7 original currency-unit exercise; Lesson 6.

Section P3 Worked Answers and Explanations

Items 7–9 • Version 1.0

7. Q2-P3-007 • Answer D

₱15,000/m².

A • That uses only the lower middle observation.

B • That is the most frequent observed rate, not the median.

C • That uses only the upper middle observation.

D • **Correct.** For eight observations, use the average of positions 4 and 5: (14 + 16)/2 = 15 thousand pesos per m².

Repair: Average the two ordered central observations when the count is even.

Lessons 7. Source: S1 NIST measures of location; S7 original observations.

8. Q2-P3-008 • Answer B

15.

A • That divides the retained sum by two rather than four.

B • **Correct.** After removing 10 and 50, the remaining sum is 12 + 14 + 16 + 18 = 60; divide by four to obtain 15.

C • That is the untrimmed mean, 120/6.

D • That divides the retained sum by five rather than the four retained observations.

Repair: Count the retained observations after applying the specified trim.

Lessons 7. Source: S1 NIST measures of location; S7 original trimming rule.

9. Q2-P3-009 • Answer B

₱540/m².

A • That gives the two blocks equal weight despite their different areas.

B • **Correct.** Total monthly rent = 250 × 600 + 750 × 520 = ₱540,000; divide by 1,000 m² to obtain ₱540/m².

C • That reports only the larger block's rate.

D • That reports only the smaller block's rate.

Repair: Weight each unit rate by the area it actually covers.

Lessons 7. Source: S7 original weighted-rate exercise; Lesson 7.

Section P3 Worked Answers and Explanations

Items 10–12 • Version 1.0

10. Q2-P3-010 • Answer C

₱2,582.

A • That reports the numeric sample variance as though it were the standard deviation.

B • That uses the population denominator of four rather than the sample denominator of three.

C • **Correct.** Mean = 5; squared deviations total 9 + 1 + 1 + 9 = 20; divide by n − 1 = 3, take the square root and multiply by 1,000: about ₱2,581.99.

D • That is the range, not the sample standard deviation.

Repair: Take the square root of the sample variance and restore the original monetary unit.

Lessons 7. Source: S2 NIST measures of scale; S7 original observations.

11. Q2-P3-011 • Answer C

₱500/m².

A • That divides Q3 by Q1 and changes the requested measure.

B • That adds the quartiles.

C • **Correct.** IQR = Q3 − Q1 = 750 − 250 = ₱500/m²; no new quartile convention is needed.

D • That reports Q1 only.

Repair: Subtract the supplied lower quartile from the upper quartile.

Lessons 7. Source: S2 NIST measures of scale; S7 original quartile values.

12. Q2-P3-012 • Answer C

Plus 2.

A • That reports the unstandardized residual.

B • That reverses the specified residual sign.

C • **Correct.** Residual = 650 − 600 = 50; standardized residual = 50/25 = +2. This alone is not a probability or automatic exclusion rule.

D • That divides the full observed rent by the residual standard deviation.

Repair: Use the stated residual convention before standardizing the difference.

Lessons 7. Source: S7 original residual diagnostic; Lesson 7.

Section P3 Worked Answers and Explanations

Items 13–15 • Version 1.0

13. Q2-P3-013 • Answer A

₱112,500.

A • Correct. Interest = 1,250,000 × 0.06 × 18/12 = ₱112,500. This excludes repayment of the advance.

B • That treats 18 months as 18 years of interest.

C • That covers only one year.

D • That includes the original advance as well as interest.

Repair: Convert months to years and distinguish interest from the settlement balance.

Lessons 6. Source: S7 original simple-interest exercise; Lesson 6.

14. Q2-P3-014 • Answer A

₱519,424.

A • Correct. Final balance = 2,000,000 × 1.08 × 1.08 × 1.08 = ₱2,519,424; deduct the ₱2m principal to obtain ₱519,424.

B • That is the final balance, not interest alone.

C • That is only the first year's interest.

D • That uses simple interest rather than annual compounding.

Repair: Compound for every period before separating interest from principal.

Lessons 6. Source: S3 OpenStax TVM basics; S7 original reserve scenario.

15. Q2-P3-015 • Answer A

₱925,926.

A • Correct. Present amount = 1,080,000 ÷ 1.08 ÷ 1.08 = ₱925,925.93, rounded to ₱925,926.

B • That compounds for one year rather than discounting two.

C • That discounts only one of the two years.

D • That subtracts two years' simple interest from the future amount.

Repair: Discount the dated settlement through both annual periods.

Lessons 6. Source: S3 OpenStax TVM basics; S7 original settlement scenario.

Section P3 Worked Answers and Explanations

Items 16–18 • Version 1.0

16. Q2-P3-016 • Answer D

12.5509%.

A • That is the nominal rate before quarterly compounding.

B • That multiplies the nominal annual rate by four.

C • That is the quarterly rate, not the effective annual rate.

D • **Correct.** Quarterly rate = 12%/4 = 3%; the annual factor is 1.03 × 1.03 × 1.03 × 1.03 = 1.12550881. Remove principal to obtain 12.550881%, rounded to 12.5509%.

Repair: Match the periodic rate to the annual number of compounding periods.

Lessons 6. Source: S3 OpenStax TVM basics; S7 original rate-conversion exercise.

17. Q2-P3-017 • Answer D

₱11,315 above.

A • That shifts the receipt stream one year earlier to times 0, 1 and 2, producing about ₱273,553.72.

B • The offer and the discounted receipt amount differ.

C • That compares the offer with undiscounted receipts of ₱300,000.

D • **Correct.** Present receipts = 100,000/1.10 + 100,000/1.21 + 100,000/1.331 = ₱248,685.20; the offer exceeds that amount by 260,000 − 248,685.20 = ₱11,314.80, rounded to ₱11,315.

Repair: Compare an immediate offer with the discounted stream rather than its nominal total.

Lessons 6. Source: S4 OpenStax annuities; S7 original receipt schedule.

18. Q2-P3-018 • Answer B

₱165,506.

A • That omits all interest.

B • **Correct.** Accumulate the deposits for three, two and one years: 50,000 × (1.157625 + 1.1025 + 1.05) = ₱165,506.25, rounded to ₱165,506.

C • That gives every deposit one extra year of accumulation.

D • That uses deposits at times 1, 2 and 3 instead of 0, 1 and 2.

Repair: Count each deposit's own periods to the common future date.

Lessons 6. Source: S4 OpenStax annuities; S7 original deposit schedule.

Section P3 Worked Answers and Explanations

Items 19–21 • Version 1.0

19. Q2-P3-019 • Answer C

₱576,190.

A • That splits principal without interest.

B • That assumes both payments recover equal principal with identical interest, rather than equal total payments.

C • **Correct.** The present-value factor for two payments is 1/1.10 + 1/1.21 = 1.73553719. Divide ₱1m by that factor to obtain ₱576,190.48, rounded to ₱576,190.

D • That adds two years' interest on the full original principal and splits the result, ignoring amortization.

Repair: Solve the equal payment from the dated repayment stream.

Lessons 6, 27. Source: S5 OpenStax loan amortization; S7 original loan schedule.

20. Q2-P3-020 • Answer C

₱550,000.

A • That ignores the year-1 payment.

B • That subtracts the first payment before accruing year-1 interest.

C • **Correct.** After year 1: 1,000,000 × 1.10 − 600,000 = ₱500,000. Accrue one further year: 500,000 × 1.10 = ₱550,000.

D • That omits interest during year 2.

Repair: Accrue interest and apply repayments in their stated sequence.

Lessons 6, 27. Source: S5 OpenStax loan amortization; S7 original balloon exercise.

21. Q2-P3-021 • Answer D

₱8,000.

A • That is a full year's interest on the opening balance.

B • That treats the whole payment as principal.

C • That is the interest portion rather than principal repayment.

D • **Correct.** Monthly interest = 2,400,000 × 0.06/12 = ₱12,000; principal reduction = 20,000 − 12,000 = ₱8,000.

Repair: Separate the payment's interest component from principal reduction.

Lessons 6, 27. Source: S5 OpenStax loan amortization; S7 original monthly payment.

Section P3 Worked Answers and Explanations

Items 22–24 • Version 1.0

22. Q2-P3-022 • Answer A

₱790,232.

A • Correct. Year-end balances after payments are ₱1,620,000, ₱1,217,200 and ₱790,232, applying balance × 1.06 − 500,000 each year.

B • That subtracts principal payments without accruing interest.

C • That charges three years' interest on the unchanged initial principal.

D • That is the balance just before the third payment.

Repair: Apply interest to each changing opening balance and then deduct the payment.

Lessons 6, 27. Source: S5 OpenStax loan amortization; S7 original balance exercise.

23. Q2-P3-023 • Answer A

1.1667.

A • Correct. Annual debt service = 120,000 × 12 = ₱1.44m; DSCR = 1.68/1.44 = 1.1666667, rounded to 1.1667.

B • That uses annual debt service of ₱1.2m instead of ₱1.44m.

C • That reverses the defined ratio.

D • That divides annual NOI by one monthly payment.

Repair: Put income and debt service on the same annual period before computing coverage.

Lessons 6, 27. Source: S7 original coverage-ratio exercise; Lessons 6 and 27.

24. Q2-P3-024 • Answer C

₱7.2 million.

A • That permits DSCR of 1.00 rather than 1.25.

B • That meets only the LTV limit and exceeds the coverage limit.

C • Correct. LTV limit = 12 × 0.65 = ₱7.8m. Coverage permits debt service of 0.9/1.25 = ₱0.72m, implying loan 0.72/0.10 = ₱7.2m. Use the lower limit.

D • That multiplies the property value by the required DSCR, which is not a loan limit.

Repair: Compute each lending constraint independently and use the binding one.

Lessons 6, 27. Source: S7 original combined lending constraints; Lessons 6 and 27.

Section P3 Worked Answers and Explanations

Items 25–27 • Version 1.0

25. Q2-P3-025 • Answer D

₱7 million.

A • That discounts the entire nominal sum, including the amount already paid now.

B • That adds the future amount without discounting.

C • That compounds the deferred payment instead of discounting it.

D • **Correct.** Deferred consideration at present = 5.5/1.10 = ₱5m; add ₱2m paid now to obtain ₱7m.

Repair: Discount only the deferred portion to the transaction's present date.

Lessons 24. Source: S7 original cash-equivalent consideration; Lesson 24.

26. Q2-P3-026 • Answer D

₱280,000.

A • That adds the deduction to the time increase.

B • That omits the separate deduction.

C • That is the final indication, not the net adjustment.

D • **Correct.** Time increase = 8,000,000 × 0.06 = ₱480,000; less ₱200,000 gives net change of ₱280,000. The final indication is ₱8.28m.

Repair: Distinguish the net adjustment amount from the adjusted indication.

Lessons 24. Source: S7 original adjustment-difference exercise; Lesson 24.

27. Q2-P3-027 • Answer A

₱500,000.

A • **Correct.** Deduct the other advantage from the price gap: 750,000 − 250,000 = ₱500,000.

B • That assigns the whole gap to the studied feature.

C • That adds the other advantage instead of removing it.

D • That reports the separate advantage rather than the studied feature.

Repair: Isolate the desired contribution after removing other controlled differences.

Lessons 24. Source: S7 original controlled-pair extraction; Lesson 24.

Section P3 Worked Answers and Explanations

Items 28–30 • Version 1.0

28. Q2-P3-028 • Answer C

₱6.6 million.

A • That reverses the index ratio.

B • That uses a 20% increase not supported by the index ratio.

C • **Correct.** Restated amount = 6 × 132/120 = ₱6.6m. The ratio is 1.10, not an addition of twelve percentage points.

D • That treats the 12 index-point change as a 12% price change.

Repair: Use the ratio of the target index to the source index.

Lessons 24. Source: S7 original index-restatement exercise; Lesson 24.

29. Q2-P3-029 • Answer C

₱1.2 million.

A • That sums only the positive adjustments.

B • That is the final amount after the signed net adjustment.

C • **Correct.** Gross absolute percentage = 5 + 4 + 3 = 12%; gross amount = 10m × 0.12 = ₱1.2m. Net percentage would be only 4%.

D • That is the signed net adjustment, not the gross absolute amount.

Repair: Add absolute adjustment magnitudes when the question asks for gross adjustments.

Lessons 24. Source: S7 original gross-versus-net adjustment exercise; Lesson 24.

30. Q2-P3-030 • Answer B

₱10,000/m².

A • That removes equipment but retains the movable stock.

B • **Correct.** Land allocation = 18 − 2.4 − 0.6 = ₱15m; 15,000,000/1,500 = ₱10,000/m².

C • That deducts the excluded package components twice.

D • That applies the full package amount to the land.

Repair: Remove each separately allocated excluded component once before dividing by land area.

Lessons 24. Source: S7 original allocated-unit calculation; Lesson 24.

Section P3 Worked Answers and Explanations

Items 31–33 • Version 1.0

31. Q2-P3-031 • Answer B

₱13.44 million.

A • That ignores the curable-work deduction.

B • **Correct.** Improvement amount = (12 − 0.2) × 0.80 = ₱9.44m; add land ₱4m to obtain ₱13.44m.

C • That applies the 80% factor before deducting the curable work, contrary to the specified sequence.

D • That omits the separate land amount.

Repair: Respect the stipulated deduction order and add land separately.

Lessons 25, 29. Source: S7 original cost-sequence exercise; Lesson 25.

32. Q2-P3-032 • Answer D

₱8 million.

A • That applies 50% retention to both improvement components.

B • That omits land from the retained-improvement total.

C • That adds both components at cost new without losses.

D • **Correct.** Shell = 5 × 0.80 = ₱4m; services = 2 × 0.50 = ₱1m; add land ₱3m to obtain ₱8m.

Repair: Apply each component's own retention factor before adding the separate land.

Lessons 25, 29. Source: S7 original component-cost calculation; Lesson 25.

33. Q2-P3-033 • Answer A

16 years.

A • **Correct.** Loss fraction = (10 − 6)/10 = 40%; effective age = 0.40 × 40 = 16 years under the stated model.

B • That treats the ₱4m loss as an age without using the fraction.

C • That ignores the stated retained value.

D • That uses the retained fraction as the age fraction.

Repair: Solve the age fraction from the loss fraction rather than the retained fraction.

Lessons 25, 29. Source: S7 original reverse age-life calculation; Lessons 25 and 29.

Section P3 Worked Answers and Explanations

Items 34–36 • Version 1.0

34. Q2-P3-034 • Answer B

₱2.25 million.

A • That depreciates only the machine and adds freight and installation without the stipulated factor.

B • **Correct.** Machine = 45,000 × 56 = ₱2.52m; installed cost = 2.52 + 0.18 + 0.30 = ₱3m; retained amount = 3 × 0.75 = ₱2.25m.

C • That is installed cost before the loss.

D • That retains 75% of the machine price alone and omits freight and installation.

Repair: Apply the retained fraction to the specified installed-cost base.

Lessons 25, 29. Source: S7 original installed-equipment exercise; Lesson 29.

35. Q2-P3-035 • Answer B

₱4.65 million.

A • That is the depreciable base before the age fraction.

B • **Correct.** Depreciable base = 6 − 0.6 = ₱5.4m; loss = 5.4 × 5/20 = ₱1.35m; retained amount = 6 − 1.35 = ₱4.65m.

C • That is accumulated loss, not retained amount.

D • That applies the age fraction to full cost without preserving the terminal residual.

Repair: Exclude terminal residual from the depreciable base before calculating the stated loss.

Lessons 25, 29. Source: S7 original residual-inclusive depreciation; Lesson 29.

36. Q2-P3-036 • Answer B

₱4.5 million.

A • That omits the final external retention factor.

B • **Correct.** Physical retention = 8 × 0.75 = ₱6m; after functional loss = ₱5m; external retention = 5 × 0.90 = ₱4.5m.

C • That calculates the external 10% loss on the original ₱8m rather than the stated remaining balance.

D • That applies the external factor before the functional deduction.

Repair: Keep each sequential factor and absolute deduction on its specified base.

Lessons 25, 29. Source: S7 original multi-stage plant model; Lessons 25 and 29.

Section P3 Worked Answers and Explanations

Items 37–39 • Version 1.0

37. Q2-P3-037 • Answer B

₱222.22/m².

A • That covers the NOI target but omits operating expenses.

B • **Correct.** Required NOI = ₱720,000; required collected rent = 720,000 + 720,000 = ₱1.44m. Divide by 600 × 12 × 0.90 = 6,480 effective area-months: ₱222.22/m² monthly.

C • That ignores the 10% rental loss.

D • That is the required annual potential rent per m², not monthly rent.

Repair: Build the required gross collection before solving the monthly potential rate.

Lessons 26. Source: S7 original reverse-rent calculation; Lesson 26.

38. Q2-P3-038 • Answer A

₱2.412 million.

A • **Correct.** Potential rent = 400 × 750 × 12 = ₱3.6m; after loss = ₱3.312m; add ₱0.2m and deduct ₱1.1m to obtain ₱2.412m.

B • That is effective gross income before expenses.

C • That also subjects the unaffected parking income to the rental-loss rate.

D • That omits the 8% rental loss.

Repair: Apply each loss only to its defined income component before deducting expenses.

Lessons 26. Source: S7 original NOI construction; Lesson 26.

39. Q2-P3-039 • Answer B

₱25 million.

A • That multiplies 2.1 by 8.4 rather than capitalizing income.

B • **Correct.** Value = 2.1/0.084 = ₱25m; convert the percentage to a decimal before division.

C • That multiplies income by the decimal rate.

D • That divides by 8.4 rather than by 0.084.

Repair: Divide compatible income by the capitalization rate in decimal form.

Lessons 26. Source: S7 original direct-capitalization calculation; Lesson 26.

Section P3 Worked Answers and Explanations

Items 40–42 • Version 1.0

40. Q2-P3-040 • Answer D

13.5%.

A • That is the weighted debt contribution.

B • That assigns the overall rate to equity without solving its component contribution.

C • That is the weighted equity contribution, not the equity rate before weighting.

D • Correct. The debt contribution is 0.70 × 8.5% = 5.95%. Equity must contribute 10% − 5.95% = 4.05%; divide by the 0.30 equity share to obtain 13.5%.

Repair: Remove the debt contribution and divide the balance by the equity share.

Lessons 26. Source: S7 original weighted-capital-rate exercise; Lesson 26.

41. Q2-P3-041 • Answer B

₱6 million.

A • That adds the loan rather than deducting it.

B • Correct. Annual gross rent = 125,000 × 12 = ₱1.5m; asset indication = 1.5 × 12 = ₱18m; less loan ₱12m leaves ₱6m equity.

C • That applies the annual multiplier to one month's rent.

D • That is the indicated asset amount before the loan.

Repair: Match the multiplier's rent period and separate asset indication from equity.

Lessons 26. Source: S7 original rent-multiplier equity bridge; Lesson 26.

42. Q2-P3-042 • Answer A

11.11%.

A • Correct. Original indication = 1.6/0.08 = ₱20m; revised = 1.6/0.09 = ₱17.7778m. Decrease/original = (20 − 17.7778)/20 = 11.11%.

B • That uses a rate ratio not implied by the stated rates.

C • That reports the cap-rate change in percentage points as the value percentage change.

D • That divides the value decrease by the revised indication instead of the original.

Repair: Compute both indications before expressing their change on the specified base.

Lessons 26. Source: S7 original capitalization sensitivity; Lesson 26.

Section P3 Worked Answers and Explanations

Items 43–45 • Version 1.0

43. Q2-P3-043 • Answer A

₱0.

A • Correct. Present receipts = 2.2/1.10 + 2.42/1.21 = ₱4m; subtract the ₱4m time-zero cost to obtain zero NPV.

B • That reports present receipts without deducting the initial cost.

C • That ignores both future receipts.

D • That deducts the cost from undiscounted receipts.

Repair: Include the signed initial outlay as well as discounted future receipts in NPV.

Lessons 27. Source: S6 OpenStax NPV method; S7 original project schedule.

44. Q2-P3-044 • Answer C

₱11,419,985.

A • That discounts one extra year because the NOI used in the terminal calculation is next-year NOI.

B • That is the net terminal receipt at year 3, before discounting.

C • Correct. Gross terminal = 1.44/0.09 = ₱16m; net receipt = 16 × 0.95 = ₱15.2m at year 3. Discount by 1.331 to obtain ₱11,419,984.97.

D • That discounts gross terminal value but omits selling costs.

Repair: Keep the terminal receipt at the exit date even when its income base is forward NOI.

Lessons 27. Source: S7 original net-terminal discounting; Lesson 27.

45. Q2-P3-045 • Answer D

₱15 million.

A • That omits the required profit allowance.

B • That deducts 20% of receipts rather than 20% of total cost.

C • That applies profit only to non-land costs.

D • Correct. Receipts = 1.20 × total cost, so total cost = 90/1.20 = ₱75m. Deduct non-land cost ₱60m to obtain land ₱15m.

Repair: Solve total cost including land before isolating land when profit uses that total-cost base.

Lessons 27. Source: S7 original cost-based residual equation; Lesson 27.

Section P3 Worked Answers and Explanations

Items 46–48 • Version 1.0

46. Q2-P3-046 • Answer B

Minus ₱2 million.

A • That ignores the net present benefit of the future flows.

B • **Correct.** Present receipt = 30.25/1.21 = ₱25m; present later cost = 16.5/1.10 = ₱15m; NPV = 25 − 15 − 12 = −₱2m.

C • That subtracts undiscounted amounts with different dates.

D • That is the present residual before paying for land.

Repair: Discount each development flow and include the time-zero land acquisition.

Lessons 27. Source: S6 OpenStax NPV method; S7 original development schedule.

47. Q2-P3-047 • Answer C

10%.

A • That is the total two-year increase rather than an annual compounded rate.

B • That divides the total 21% return by two instead of taking the compounded annual root.

C • **Correct.** The two-year factor is 6.05/5 = 1.21. Its square root is 1.10, giving an annual rate of 10%.

D • Two years at 5% produce a factor of 1.1025, not 1.21.

Repair: Annualize a multi-year compounded return using the period root.

Lessons 27. Source: S7 original two-flow IRR exercise; Lesson 27.

48. Q2-P3-048 • Answer A

40%.

A • **Correct.** Original residual = 50 − 30 − 10 = ₱10m; revised = 45 − 30 − 9 = ₱6m; decrease = 4/10 = 40%.

B • That ignores the reduction in the profit allowance when receipts fall.

C • That is the receipts decrease, not the residual decrease.

D • That divides the ₱4m decrease by revised residual ₱6m instead of original residual ₱10m.

Repair: Recompute linked profit allowances before measuring residual sensitivity.

Lessons 27. Source: S7 original residual sensitivity; Lesson 27.

Section P3 Worked Answers and Explanations

Items 49–51 • Version 1.0

49. Q2-P3-049 • Answer D

₱2.6 million.

A • That applies 20% to both components.

B • That totals FMVs without assessment levels.

C • That applies 40% to both components.

D • **Correct.** Land assessed amount = 3 × 0.20 = ₱0.6m; building assessed amount = 5 × 0.40 = ₱2m; total = ₱2.6m.

Repair: Apply each component's stipulated assessment level to its own FMV.

Lessons 32. Source: S7 original supplied assessment arithmetic; Lesson 32.

50. Q2-P3-050 • Answer D

₱36,000.

A • That is the full annual total before the stipulated time fraction.

B • That includes only one of the two equal rates.

C • That multiplies the annual total by nine without dividing by twelve.

D • **Correct.** Annual total = 2,400,000 × (0.01 + 0.01) = ₱48,000; nine-twelfths amount = 48,000 × 9/12 = ₱36,000.

Repair: Combine rates on the stated base before applying the supplied time fraction.

Lessons 32. Source: S7 original hypothetical tax model; Lesson 32.

51. Q2-P3-051 • Answer D

₱6 million.

A • That applies rather than reverses the 40% assessment level.

B • That divides tax by 4% rather than by the combined effect of the two specified stages.

C • That is assessed value, before reversing the assessment level.

D • **Correct.** Assessed value = 60,000/0.025 = ₱2.4m; FMV = 2.4/0.40 = ₱6m. Both percentage stages must be reversed.

Repair: Reverse the tax-rate stage and then the assessment-level stage.

Lessons 32. Source: S7 original reverse assessment calculation; Lesson 32.

Section P3 Worked Answers and Explanations

Items 52–54 • Version 1.0

52. Q2-P3-052 • Answer A

₱86,400.

A • Correct. Penalty = 80,000 × 0.02 × 4 = ₱6,400; total = 80,000 + 6,400 = ₱86,400.

B • That includes only one month's penalty.

C • That approximately compounds 2% monthly, contrary to the simple-penalty premise.

D • That is penalty only, excluding principal.

Repair: Use the stated simple penalty convention and distinguish penalty from total settlement.

Lessons 32. Source: S7 original hypothetical penalty arithmetic; Lesson 32.

53. Q2-P3-053 • Answer C

₱6,000.

A • That is the amount already paid.

B • That is one installment rather than the three remaining.

C • Correct. Each installment = 24,000/12 = ₱2,000; three unpaid installments total 3 × 2,000 = ₱6,000.

D • That ignores all nine payments.

Repair: Count unpaid installments after establishing the equal periodic amount.

Lessons 32. Source: S7 original installment-balance exercise; Lesson 32.

54. Q2-P3-054 • Answer C

Zero percentage points.

A • That increases the numerator without also correcting the denominator.

B • That does not follow either of the stated ratios.

C • Correct. Initial ratio = 3/5 = 60%; corrected ratio = 3.3/5.5 = 60%; both amounts rise 10%, leaving the ratio unchanged.

D • A 10% increase in both amounts is not a ten-point change in their ratio.

Repair: Recompute both numerator and denominator before comparing diagnostic ratios.

Lessons 32. Source: S7 original ratio-change exercise; Lesson 32.

Section P3 Worked Answers and Explanations

Items 55–57 • Version 1.0

55. Q2-P3-055 • Answer A

9,600 m².

A • Correct. One plan cm is 25 ground metres; dimensions are 80 m and 120 m, giving 80 × 120 = 9,600 m².

B • That converts ground centimetres to metres incorrectly.

C • That applies the linear scale only once to the plan's area.

D • That reports the plan-area number without the squared scale conversion.

Repair: Convert each plan dimension to ground metres before multiplying area.

Lessons 33. Source: S7 original map-scale exercise; Lesson 33.

56. Q2-P3-056 • Answer B

1,000 m².

A • That includes the upper-left notch outside the polygon.

B • Correct. The enclosing 40 × 30 rectangle is 1,200 m²; the omitted upper-left rectangle is 10 × 20 = 200 m². Enclosed area = 1,000 m².

C • That removes a 10 × 30 strip instead of the stated 10 × 20 notch.

D • That omits the one-half factor if using the coordinate cross-product method.

Repair: Follow the ordered polygon boundary when computing the excluded notch or coordinate area.

Lessons 33. Source: S7 original coordinate-area exercise; Lesson 33.

57. Q2-P3-057 • Answer D

100 m.

A • That subtracts the differences.

B • That averages the two differences.

C • That adds the coordinate differences rather than using orthogonal distance.

D • Correct. The squared separation is 80² + 60² = 10,000 m²; its square root is 100 m.

Repair: Use the right-triangle distance from orthogonal coordinate differences.

Lessons 33. Source: S7 original grid-distance exercise; Lesson 33.

Section P3 Worked Answers and Explanations

Items 58–60 • Version 1.0

58. Q2-P3-058 • Answer B

173.21 m north and 100.00 m east.

A • That measures the stated angle from east instead of north.

B • **Correct.** The angle is measured from north: north component = 200 cos 30° = 173.205 m; east component = 200 sin 30° = 100 m.

C • That assigns the full length to both components.

D • That reverses the stated northeast direction.

Repair: Identify the bearing's reference axis before assigning sine and cosine components.

Lessons 33. Source: S7 original bearing-components exercise; Lesson 33.

59. Q2-P3-059 • Answer A

4%.

A • **Correct.** Rise = 15 − 12 = 3 m; grade = 3/75 × 100 = 4%. The denominator is horizontal run.

B • That divides horizontal run by rise and does not form the required percentage.

C • That treats the rise in metres as a percentage without a denominator.

D • That divides rise by the upper elevation rather than horizontal run.

Repair: Divide rise by horizontal run before expressing grade as a percentage.

Lessons 33. Source: S7 original grade calculation; Lesson 33.

60. Q2-P3-060 • Answer D

5 floors.

A • That rounds the FAR number rather than dividing total floor area by the per-floor limit.

B • Rounding down cannot accommodate the full 3,150 m².

C • Five floors already provide sufficient capacity under the stated envelope.

D • **Correct.** Allowed floor area = 3.5 × 900 = 3,150 m²; 3,150/675 = 4.6667. Four floors hold only 2,700 m², so a fifth floor is needed for the remaining 450 m².

Repair: Round the capacity quotient upward when the task requires enough whole floors.

Lessons 33. Source: S7 original supplied development geometry; Lesson 33.

Section P3 Score Record

Name _____ Date _____ Version 1.0
Section score ____ / 60 = ____%; elapsed time _____
First / repeated _____ Open / closed book _____

Set	Correct	Lessons	Repair priority
A	____ / 6	6, 33	_____
B	____ / 6	7	_____
C	____ / 6	6	_____
D	____ / 6	6, 27	_____
E	____ / 6	24	_____
F	____ / 6	25, 29	_____
G	____ / 6	26	_____
H	____ / 6	27	_____
I	____ / 6	32	_____
J	____ / 6	33	_____

Interpret the result

Each set contains six items: set percentage = correct / 6 × 100. One answer changes that short-set percentage by about 16.67 points. Use the working and error patterns to locate the skill gap; these scores are not calibrated mastery measures.

Section completion

Units bases and statistics errors repaired _____
Timing loan and payment errors repaired _____
Adjustment cost and income errors repaired _____
Residual assessment and geometry errors repaired _____

This complete volume contains all 400 topic-practice questions and two fresh 100-item mocks. Use the diagnostic records and lesson routes to repair errors, then attempt the mocks under recorded conditions.

Section P3 Error Repair Record

Use one entry for each error and each uncertain correct response. Keep the original answer and working visible while reconstructing the calculation.

Item ID _____ Original answer ____ Correct answer ____

Requested output and unit _____

Formula or geometric relation _____

Inputs and percentage base _____

Periods rate and flow dates _____

Intermediate result before rounding _____

Why the closest distractor fails _____

Corrected calculation and interpretation _____

Lesson reviewed and changed-facts retest _____

Outcome and next review date _____

Before Section 4

Be able to explain the amount as well as calculate it. A report should identify the relevant inputs, premise and date, and keep its narrative consistent with the calculation. The report-writing section develops how the valuation reasoning is presented to its intended user.

When correcting an item, update its exact version, options, key and explanation together. Retain unrounded intermediate calculations so the final reported rounding can be checked.

Section P3 Selected Sources and Currency Notes

Reference date 13 October 2026. Sources identify the conceptual background; all numerical cases and observations are new. Read source editions and actual assignment requirements together.

S1 ● NIST Measures of Location

NIST/SEMATECH e-Handbook section 1.3.5.1 supplies general background on median and trimmed mean. Items 7–8 use independently authored observations and an explicitly supplied trimming rule. Their statistics describe those datasets rather than prescribe a professional appraisal conclusion.

https://itl.nist.gov/div898/handbook/eda/section3/eda351.htm

S2 ● NIST Measures of Scale

NIST/SEMATECH e-Handbook section 1.3.5.6 supplies background on sample standard deviation and interquartile range. Item 10 explicitly uses the sample denominator n minus 1; item 11 supplies quartiles rather than leaving their computation convention unstated.

https://itl.nist.gov/div898/handbook/eda/section3/eda356.htm

S3 ● OpenStax Time Value of Money Basics

Principles of Finance 2e section 7.2. Conceptual background for compounding and period-consistent rates. All reserve amounts, settlement schedules and quoted rates here are newly authored; no source problem or example is reproduced.

https://openstax.org/books/principles-finance-2e/pages/7-2-time-value-of-money-tvm-basics

Section P3 Selected Sources and Currency Notes

Reference date 13 October 2026. Sources identify the conceptual background; all numerical cases and observations are new. Read source editions and actual assignment requirements together.

S4 ● OpenStax Annuities

Principles of Finance 2e section 8.2. Background on equal periodic flows and the timing distinction between ordinary annuities and annuities due. Items 17–18 specify each flow date and use independently authored schedules.

https://openstax.org/books/principles-finance-2e/pages/8-2-annuities

S5 ● OpenStax Loan Amortization

Principles of Finance 2e section 8.3. Background on periodic payments, interest and changing principal balances. The numerical schedules here are original. The reference is used for calculation concepts, not as a statement of Philippine mortgage or title law.

https://openstax.org/books/principles-finance-2e/pages/8-3-loan-amortization

S6 ● OpenStax Net Present Value Method

Principles of Finance 2e section 16.2. Background on signed discounted cash flows including initial outlays. Project receipts and costs in items 43 and 46 are independently authored. A zero or negative computed NPV is conditional on the supplied schedule and rate.

https://openstax.org/books/principles-finance-2e/pages/16-2-net-present-value-npv-method

Section P3 Selected Sources and Currency Notes

Reference date 13 October 2026. Sources identify the conceptual background; all numerical cases and observations are new. Read source editions and actual assignment requirements together.

S7 ● REALEX original calculations

Routes: Lessons 6–7, 24–27, 29 and 32–33. All 60 question records are original and independently recalculated. Profit bases, depreciation sequences, rate definitions, coordinate systems and development envelopes are stipulated. Assessment and tax inputs are hypothetical exercise premises.

Course route: REALEX Lessons 6, 7, 24, 25, 26, 27, 29, 32 and 33

S8 ● IVSC International Valuation Standards

Effective 31 January 2025. IVS 103, 300, 400 and 410 provide broad appraisal context for cost, equipment, real-property and development models. IVSC-authored text hosted by SAICA. A model calculation in this section is not a complete standards-compliant valuation or evidence of model suitability for an actual asset.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S9 ● PRC July 2026 examination program

Page 1 identifies practical appraisal mathematics, including statistics and basic mathematics, within Professional Appraisal Practice. This subject carries 50% of the examination. The 60-item allocation is editorial; the applicable 2027 program and detailed TOS remain to be verified.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

The originality check covers the 748 previously completed questions in this series. These items do not reuse a purchased question bank or recalled licensure examination questions. It is not an exhaustive comparison with every question published elsewhere.

Section 4 Appraisal Report Writing

QUESTIONNAIRE 2 • Professional Appraisal Practice

40 original four-option questions
Q2-P4-001 to Q2-P4-040 • Content version 1.0
2027 Preparation Edition • Prepared 13 October 2026

This section applies Lessons 34 and 36 to appraisal reporting. The task is to identify wording, structure and controls that faithfully communicate the assignment, work performed, evidence, reasoning and conclusion. A report should let its intended user understand what the opinion covers and what materially qualifies it.

Instructions

Select one best answer A–D under the stated facts. Attempt all 40 questions or one eight-item set at a time. Keep the key and explanations closed until review. Record elapsed time and whether this is a first or repeated, open- or closed-book attempt. No official PRC time allowance is assigned to this topic section.

Reporting conventions

All scenarios and amounts are fictional and newly authored. Where a question expressly invokes IVS, use the identified edition effective 31 January 2025. Other questions test truthful attribution, narrative consistency and report controls under their stated facts. RICS guidance is conceptual background, not an assertion that its rules govern every Philippine assignment.

Keep valuation, inspection and report dates distinct. State the relevant subject, right and value premise. Do not turn a limitation into a factual assurance, a sensitivity test into a probability statement, or a value opinion into a sale guarantee. Final rounding follows the instruction in the question.

Book pages	Contents
155	Coverage and lesson routes
156	Answer sheet for all 40 items
157–166	40 questions four per page
167	Compact answer key
168–181	Answers and per-option explanations
182–183	Score and error repair records
184–185	Selected sources and currency notes

The 2026 PRC program includes appraisal report writing within Professional Appraisal Practice. The 40-item allocation and five sets are editorial. The applicable 2027 program and detailed TOS remain to be verified. These are original practice questions, not actual or recalled PRC questions. [S4]

Section P4 Coverage and Lesson Routes

Set	Items	Competency	Lessons
A	1–8	Report identity purpose and assignment context	34
B	9–16	Property evidence assumptions and limitations	34
C	17–24	Methods calculations and valuation reasoning	34, 36
D	25–32	Conclusions presentation and compliance	34, 36
E	33–40	Review issue control and workfile continuity	34, 36

Study routes

34 • Appraisal reporting and review: assignment context, property description, evidence, assumptions, limitations, methods, rationale and conclusions.
36 • Integrated reporting and final review: agreement between calculations and narrative, role identification, issue status, update records and material corrections.

Read the report as its intended user

Identify the subject and date before interpreting the amount. Locate the evidence and reasoning supporting it. Check whether material assumptions accompany the conclusion. Read the labels, tables, captions and narrative together; each should describe the same completed work.

Reporting decisions tested

These items ask for the most defensible reporting treatment under a particular fact pattern. A polished format cannot cure an unsupported analytical statement. A concise report can still explain its premise and conclusion. A material correction needs a clear record of what changed and which version applies.

All 40 stems have been checked against the 808 earlier questions in the series. The two calculation items have been independently recomputed. Difficulty labels are editorial intentions and have not been statistically calibrated.

Section P4 Answer Sheet

Items 1–40 • Version 1.0

Name _____ Date _____
Attempt no. _____ First / repeated _____
Open / closed book _____ Started _____ Finished _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	11	A B C D	21	A B C D	31	A B C D
2	A B C D	12	A B C D	22	A B C D	32	A B C D
3	A B C D	13	A B C D	23	A B C D	33	A B C D
4	A B C D	14	A B C D	24	A B C D	34	A B C D
5	A B C D	15	A B C D	25	A B C D	35	A B C D
6	A B C D	16	A B C D	26	A B C D	36	A B C D
7	A B C D	17	A B C D	27	A B C D	37	A B C D
8	A B C D	18	A B C D	28	A B C D	38	A B C D
9	A B C D	19	A B C D	29	A B C D	39	A B C D
10	A B C D	20	A B C D	30	A B C D	40	A B C D

After the attempt

Correct ____ / 40; blank ____; wrong ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson or reporting skill _____

Mark one response per item. This book awards one point for a correct answer and zero for wrong, blank or multiple responses; that is an editorial practice convention. Preserve initial responses before checking the key.

Set A Report identity purpose and assignment context

Items 1–4 • Select one best answer.

1. Q2-P4-001 • Set A

A report is issued on 12 October after an inspection on 28 September. Its value relates to 30 September. Which opening statement identifies the dates correctly?

A. Value as at 12 October because that is the report issue date.

B. Inspected 30 September; value as at 28 September; issued 12 October.

C. Value as at 30 September; inspected 28 September; report issued 12 October.

D. All work dated 12 October because the report was completed then.

2. Q2-P4-002 • Set A

An employer commissions an appraisal for its internal asset review. The draft calls the purpose the Finance Director and the user internal asset review. Which correction best identifies the two concepts?

A. Describe internal asset review as the intended use and identify the agreed report user separately.

B. Replace both entries with the property's street address.

C. Remove both because an internal appraisal needs no assignment context.

D. Keep the entries because a department title is also a valuation method.

3. Q2-P4-003 • Set A

The assignment values a 40% ownership interest in an office property. The conclusion states only the property is worth ₱20m, while the analysis distinguishes the whole property from the instructed interest. What is the priority reporting repair?

A. Rename the amount replacement cost and preserve the ambiguous property label.

B. Multiply every number in the report by 40% without checking the interest analysis.

C. Remove the ownership proportion from the instructions.

D. Identify the actual interest to which the concluded amount relates and distinguish any whole-property indication.

4. Q2-P4-004 • Set A

An approved calculation gives ₱23,764,400. Reporting instructions require rounding to the nearest ₱100,000. Which conclusion complies with that instruction?

A. ₱23.7 million.

B. ₱23.8 million.

C. ₱23.76 million.

D. ₱23,764,400.

Set A Report identity purpose and assignment context

Items 5–8 • Select one best answer.

5. Q2-P4-005 • Set A

A conclusion is labelled investment value, but the report never explains whose investment objectives were used. What addition most directly resolves the reader's interpretation?

A. Add a paragraph on building materials without identifying the investment premise.

B. Change the report date but keep the basis unexplained.

C. Identify the relevant owner or prospective owner and the investment objectives reflected in the adopted basis.

D. State that investment value always equals every buyer's market value.

6. Q2-P4-006 • Set A

A land-only appraisal uses a template whose conclusion says land and improvements. No improvements were included in the instructed subject or calculations. Which edit is necessary?

A. Keep the phrase because templates are understood to contain generic wording.

B. Correct the subject description throughout the report to match the land-only assignment.

C. Add a zero improvement amount and retain the broader subject without review.

D. Delete the land calculations so the template wording can remain.

7. Q2-P4-007 • Set A

An executive summary is likely to be read without its appendices. A special assumption materially determines the stated value, but appears only in an appendix footnote. What summary change is most useful?

A. Identify the material special assumption beside the summary conclusion and direct the reader to its full explanation.

B. Repeat only the value in a larger font and leave the assumption location unchanged.

C. Add more property photographs instead of identifying the assumption.

D. Remove the footnote because the summary should contain no conditions.

8. Q2-P4-008 • Set A

An additional scenario estimates a proposed completed building's value as at a future date. The present site is still vacant. Which conclusion label best preserves the scenario's meaning?

A. The present vacant-land value with the completion premise omitted.

B. A guaranteed future sale price on completion.

C. A prospective value at the stated future date under the explicitly stated completion premise.

D. The current inspected value of the completed building.

Set B Property evidence assumptions and limitations

Items 9–12 • Select one best answer.

9. Q2-P4-009 • Set B

A location map colours the subject parcel and a neighbouring parcel alike. The written description values only the subject, and the neighbour is shown solely for orientation. Which caption best prevents scope confusion?

A. Subject parcel highlighted separately; neighbouring parcel shown for location context only.

B. The adjacent parcel is excluded from the map and therefore does not exist.

C. Boundary colours establish ownership of every highlighted parcel.

D. Both parcels form the subject because they share a map colour.

10. Q2-P4-010 • Set B

A property photograph was supplied by the owner and taken two years before the appraisal. It is used to show an earlier layout. Which caption is appropriate?

A. Appraiser's current inspection photograph of the layout.

B. Undated site evidence, with the date omitted to simplify presentation.

C. Verified current condition because the image was inserted into today's report.

D. Owner-supplied photograph of the earlier layout, with its stated capture date identified.

11. Q2-P4-011 • Set B

A rent assumption comes from a signed lease, while an occupancy count comes from management's unverified spreadsheet. Which report wording best describes the source status?

A. Omit all source descriptions because only the final income matters.

B. Describe both as audited because they were used in the same calculation.

C. Attribute each input to its actual source and identify the different verification performed or remaining.

D. Describe the lease as management opinion and the spreadsheet as a legal instrument.

12. Q2-P4-012 • Set B

The inspection did not include concealed foundations. A draft says no concealed defects exist. Which replacement most accurately communicates the work performed?

A. All foundations were inspected indirectly because walls were photographed.

B. Concealed foundations were not inspected; explain the relevant assumption and its effect on the opinion.

C. Concealed defects are excluded from reality by the limiting condition.

D. The foundation condition is certified by this value opinion.

Set B Property evidence assumptions and limitations

Items 13–16 • Select one best answer.

13. Q2-P4-013 • Set B

The report uses 840 m² from a supplied plan. The appraiser measured only selected dimensions and did not complete a full area survey. Which area statement matches that work?

A. Area omitted from the report even though the valuation uses it.

B. Area independently measured in every room because some dimensions were checked.

C. Area of 840 m² adopted from the identified plan; describe the limited checks made and the reliance premise.

D. Full surveyed area certified by the appraiser at 840 m².

14. Q2-P4-014 • Set B

A comparable sale was investigated but excluded because its asset package could not be reliably allocated. Which workfile-to-report treatment is most useful?

A. Delete the sale from all records so nobody can question its exclusion.

B. Use its full package price while noting that it was excluded.

C. Retain the investigation and exclusion reason, and explain the material selection rationale where relevant.

D. Describe it as a verified direct comparable in the report's evidence table.

15. Q2-P4-015 • Set B

A technical specialist's conclusion about a roof informs a material cost deduction. The appraisal report reproduces the deduction but says nothing about the specialist. What addition best explains the reliance?

A. State that the appraiser personally performed the technical investigation.

B. Add the specialist's entire unrelated project portfolio instead of the relevant findings.

C. Replace the specialist's name with the client name and omit the findings.

D. Identify the specialist input, relevant findings and how they affect the deduction and any related limitation.

16. Q2-P4-016 • Set B

Confidential comparable records cannot be published with counterparties' names. The client still needs to understand the valuation analysis. Which reporting arrangement best addresses both needs?

A. Replace all evidence attributes with the word confidential.

B. Invent names and transaction terms to make the table look complete.

C. Use appropriately anonymised evidence identifiers and meaningful transaction attributes, with confidential supporting records retained under the applicable arrangements.

D. Publish every identity because traceability requires unrestricted public disclosure.

Set C Methods calculations and valuation reasoning

Items 17–20 • Select one best answer.

17. Q2-P4-017 • Set C

A report says a sales comparison approach was used but supplies only the resulting amount. Which addition most directly explains how the approach produced that result?

A. Describe the selected transactions, comparison measure, supported adjustments and reasoning linking them to the subject indication.

B. State that the final amount validates the method because it looks reasonable.

C. Replace the amount with the mean of nearby asking prices without describing their relevance.

D. Repeat the approach name in every section heading.

18. Q2-P4-018 • Set C

A cost schedule lists land ₱4m, improvement cost new ₱11m and nonoverlapping improvement loss ₱2.5m. A report labels the retained improvement amount as the total property indication. Which corrected statement is arithmetically and descriptively consistent?

A. Retained improvements ₱8.5m; total including land ₱12.5m.

B. Retained improvements ₱13.5m; total including land ₱17.5m.

C. Retained improvements ₱8.5m; total including land ₱8.5m.

D. Retained improvements ₱12.5m; total including land ₱16.5m.

19. Q2-P4-019 • Set C

An income report labels the income being capitalized NOI but deducts interest in the schedule, while the adopted cap-rate evidence uses income before financing. What must the narrative and schedule clarify?

A. Rename the table EBITDA and keep every item without checking compatibility.

B. Omit the cap rate from the report so its definition cannot conflict with the schedule.

C. Reconstruct a compatible income measure and explain the included and excluded items consistently with the adopted rate.

D. Describe interest as a property operating expense because it appears in the owner's accounts.

20. Q2-P4-020 • Set C

The DCF schedule places a terminal receipt at year 5, but its explanatory paragraph says the asset is sold at year 4. The agreed analysis actually exits at year 5. Which edit is necessary?

A. Move only the terminal receipt to year 4 to match the erroneous paragraph.

B. Correct the narrative to the year-5 exit and verify related terminal assumptions and timing references throughout the report.

C. Call years 4 and 5 equivalent because both are future dates.

D. Delete the terminal paragraph and leave the exit date unexplained.

Set C Methods calculations and valuation reasoning

Items 21–24 • Select one best answer.

21. Q2-P4-021 • Set C

An appraiser considered the cost approach but did not rely on it because the improvement cost and obsolescence evidence were inadequate for the subject. Which report statement best communicates that decision?

A. Identify the approach considered and explain why the available evidence did not support its use in this assignment.

B. Remove any record that the approach was considered.

C. Claim that the cost indication agreed with the final value, although no reliable indication was developed.

D. State that cost approaches are prohibited for all income-producing property.

22. Q2-P4-022 • Set C

The final narrative says the indications were reconciled, but lists two different amounts without explaining the greater reliance on one. What addition most directly strengthens the report?

A. Repeat the final amount after each indication without explaining the decision.

B. Explain the relative evidential strengths, limitations and reasoning for the adopted conclusion.

C. Add equal weights retrospectively because two indications require equality.

D. Delete the less-relied-on indication and leave its consideration undocumented.

23. Q2-P4-023 • Set C

A sensitivity table tests a 10% lower rent input. No probability model was used. Which table caption accurately describes that output?

A. A 10% probability that the base opinion is wrong.

B. A guaranteed worst-case sale outcome.

C. Result under a 10% lower-rent scenario; no probability is assigned by this sensitivity test.

D. A 90% confidence valuation interval.

24. Q2-P4-024 • Set C

A sparse-evidence appraisal has material estimation uncertainty. The report displays ₱18,423,617.83 and claims that the decimal places demonstrate accuracy. What reporting issue should be addressed?

A. Explain the evidential uncertainty and use a reporting precision appropriate to the supported conclusion.

B. Add more decimal places so the uncertainty becomes smaller.

C. Replace the amount with the highest observed price to eliminate uncertainty.

D. Remove every limitation because a single amount is reported.

Set D Conclusions presentation and compliance

Items 25–28 • Select one best answer.

25. Q2-P4-025 • Set D

A summary reports market value and an assumed-completion scenario value in adjacent columns, both headed value. What presentation change best prevents the amounts being confused?

A. Give each column its basis, date and applicable condition, and distinguish the two conclusions in the text.

B. Add the two amounts and report one combined value.

C. Remove the smaller amount solely because it may confuse readers.

D. Put the larger amount first and leave both headings unchanged.

26. Q2-P4-026 • Set D

A draft concludes that the appraised value guarantees the minimum price obtainable within thirty days. No sale contract or guarantee exists. Which revision best fits a value opinion?

A. Replace minimum with maximum and keep the guarantee.

B. Keep the guarantee because the appraiser used three comparables.

C. Change thirty days to sixty days and preserve the guarantee.

D. Report the supported opinion under its stated basis and date, without claiming a guaranteed sale outcome.

27. Q2-P4-027 • Set D

A report says the appraiser established soil bearing capacity, but the appraiser only relied on a geotechnical report supplied by a specialist. Which wording accurately reflects the work?

A. Keep the claim because reading a report is equivalent to conducting its investigation.

B. Replace the specialist's findings with a general statement that all local soils are adequate.

C. Call bearing capacity a valuation assumption without identifying the technical source used.

D. State reliance on the identified geotechnical findings and explain their relevance to the valuation premise.

28. Q2-P4-028 • Set D

A report's headline value assumes full access to a loading area, while the reliance on that assumed access appears only in an unrelated general disclaimer. What presentation repair is strongest?

A. Change the loading-area photograph but leave the analytical condition unspecified.

B. Remove the condition because the headline value should be unconditional.

C. Increase the disclaimer's page count without identifying the access premise near the conclusion.

D. Identify the access premise where the conclusion and relevant analysis are explained, with a clear cross-reference to its full treatment.

Set D Conclusions presentation and compliance

Items 29–32 • Select one best answer.

29. Q2-P4-029 • Set D

Two professionals contribute to a report: one performs the valuation, and another reviews its calculations. The signature page lists both with no stated roles. What clarification is most useful?

A. Identify each person's actual role and responsibility in the completed work.

B. Identify the reviewer as the client to simplify the page.

C. Describe both as sole authors regardless of their different work.

D. Remove every signature because multiple participants contributed.

30. Q2-P4-030 • Set D

The valuer concludes that an unresolved material restriction prevents compliance with IVS. The draft nevertheless states full IVS compliance. Under IVS 106, what statement treatment is required?

A. Keep the claim and place the restriction in smaller type.

B. Ask the client to select whichever compliance statement is more useful commercially.

C. State compliance because the report follows a recognised page layout.

D. Do not claim IVS compliance when the identified restriction prevents it.

31. Q2-P4-031 • Set D

The client requests a short summary report. The assignment is to be reported under IVS, and the current draft omits the basis, material assumption and rationale to save space. Which response is appropriate?

A. Use a concise format that still conveys the required assignment information and a sufficient basis for the conclusion.

B. Add blank pages until the report becomes comprehensive by length.

C. Omit the information because a short format is exempt from reporting requirements.

D. Include only the final amount because the client already knows the property.

32. Q2-P4-032 • Set D

A copied certification says the appraiser personally inspected the entire property. Actual work was a permitted desktop assignment using identified records, with no site visit. What must happen before issue?

A. Use a site photograph from another report as proof of personal inspection.

B. Keep the certification because the client agreed to desktop work.

C. Replace the certification with an accurate account of the investigation performed and its limitations.

D. Change the inspection date to the report date while retaining the claim.

Set E Review issue control and workfile continuity

Items 33–36 • Select one best answer.

33. Q2-P4-033 • Set E

A reviewer checks another valuation and also develops an independent replacement value. Under IVS 106, how should the replacement value be treated in the reporting?

A. As an unregulated note because it appears inside a review document.

B. As a valuation requiring the valuation-report treatment, alongside a clear account of the review work.

C. As the original appraiser's conclusion even though the reviewer developed it.

D. As a formatting correction requiring no supporting rationale.

34. Q2-P4-034 • Set E

A draft PDF remains watermarked for review, while an approved final PDF has a different date and identifier. A staff member is assembling the issue package. Which control best identifies the intended deliverable?

A. Send whichever file was opened most recently.

B. Confirm the approved version and its status, and ensure the issued file and transmittal identify that version consistently.

C. Combine pages from both PDFs because their file names resemble each other.

D. Remove the draft watermark without checking its approval.

35. Q2-P4-035 • Set E

A recurring valuation report is updated to a new valuation date. The draft changes only the cover date and retains all earlier market statements without assessing changes. What reporting problem requires attention?

A. The update is complete once the earlier value is increased by inflation without analysis.

B. The new-date conclusion needs work and disclosure supporting the update, rather than a date-only relabelling of the old analysis.

C. The earlier report should be deleted so its analysis cannot be compared.

D. There is no problem because the property address is unchanged.

36. Q2-P4-036 • Set E

A permitted report excerpt is prepared for a presentation. The excerpt shows a conditional scenario amount, but removes the date and condition appearing beside it in the full report. What should the excerpt preserve?

A. The report's decorative cover image instead of the date and condition.

B. The essential date and condition needed to interpret the displayed amount, with a clear reference to the full report.

C. Only the largest numerical amount so the presentation is concise.

D. A statement that all limitations are waived by shortening the report.

Set E Review issue control and workfile continuity

Items 37–40 • Select one best answer.

37. Q2-P4-037 • Set E

A firm asks how long the issued report and supporting work should be retained. No jurisdiction, engagement requirement or applicable retention rule is supplied in the question. Which IVS-based answer is defensible?

A. Exactly one year for every valuation worldwide.

B. Only while the appraiser can remember the calculations.

C. Until the client pays, after which supporting records can be destroyed.

D. Determine the period from the applicable legal, regulatory, authoritative or contractual requirements for the intended use.

38. Q2-P4-038 • Set E

A report cites a valuation standard as support for a material assertion, but the citation links only to a search-results page. What citation repair best supports later checking?

A. Keep the link because search ranking proves the assertion.

B. Cite another report that repeats the assertion without locating its authority.

C. Remove the citation and label the statement common knowledge.

D. Identify the actual issuing body, document, edition and relevant provision, and provide a retrievable source reference.

39. Q2-P4-039 • Set E

The approved workfile concludes ₱14.6m. The final summary says ₱14.9m, while a conclusion box says ₱14.6m. There is no new evidence or approved value revision. What is the appropriate pre-issue correction?

A. Leave both because the difference is small relative to the property price.

B. Align the summary with the approved ₱14.6m conclusion and check every repeated amount and related reference.

C. Average the two printed values and issue that new amount.

D. Change the workfile to ₱14.9m solely to match the summary.

40. Q2-P4-040 • Set E

After a report is issued, a material drafting error is discovered in its statement of the valued interest. The calculations concern the correctly instructed interest. What correction record is most useful?

A. Publish a different value automatically even though the calculations are unchanged.

B. Silently replace the file and retain no record of the issued wording.

C. Call the correction a new inspection even though no inspection occurred.

D. Identify the affected issued version, describe the corrected interest statement and its effect on the opinion, and clearly identify the superseding document under the applicable issue procedures.

Section P4 Compact Answer Key

Items 1–40 • Version 1.0. Review after finishing.

Item	Key	Item	Key	Item	Key	Item	Key
1	C	11	C	21	A	31	A
2	A	12	B	22	B	32	C
3	D	13	C	23	C	33	B
4	B	14	C	24	A	34	B
5	C	15	D	25	A	35	B
6	B	16	C	26	D	36	B
7	A	17	A	27	D	37	D
8	C	18	A	28	D	38	D
9	A	19	C	29	A	39	B
10	D	20	B	30	D	40	D

Check the reasoning

Section percentage = correct / 40 × 100. Review uncertain correct responses with errors. Identify the misleading statement, the relevant fact and the reporting repair before reading the explanation.

A section score describes performance on these questions under the recorded conditions. It does not certify a report as compliant, a licensure examination passing result or ranking.

Section P4 Answers and Explanations

Items 1–3 • Version 1.0

1. Q2-P4-001 • Answer C

Value as at 30 September; inspected 28 September; report issued 12 October.

A • That changes the stated date to which the value relates.

B • That exchanges the inspection and valuation dates.

C • Correct. Each date describes a different event, so the opening should distinguish them.

D • That obscures when the condition was observed and the value applies.

Repair: State the valuation date separately from inspection and report dates.

Lessons 34. Source: S1 IVS 106 30.06(h) and (r); original scenario.

2. Q2-P4-002 • Answer A

Describe internal asset review as the intended use and identify the agreed report user separately.

A • Correct. A purpose describes why the valuation is developed; a user is the person or entity identified to use it.

B • An address identifies location rather than use or user.

C • Internal work still needs its purpose and relevant users identified.

D • Neither entry describes the method, and their assignment roles are reversed.

Repair: Do not interchange the reason for the valuation with the report user.

Lessons 34. Source: S5 IVS 101 section 20; original scenario.

3. Q2-P4-003 • Answer D

Identify the actual interest to which the concluded amount relates and distinguish any whole-property indication.

A • A new value label does not identify the interest valued.

B • That substitutes an untested arithmetic rule for the actual interest conclusion.

C • That conceals rather than resolves the subject mismatch.

D • Correct. The reader needs to know what right and proportion the reported amount represents; a whole-property label can misstate the instructed subject.

Repair: Make the concluded subject and interest explicit.

Lessons 34. Source: S5 IVS 101 section 20; S1 IVS 106 30.06(b); original scenario.

Section P4 Answers and Explanations

Items 4–6 • Version 1.0

4. Q2-P4-004 • Answer B

₱23.8 million.

A • That truncates rather than rounds to the nearest ₱100,000.

B • **Correct.** 23,764,400/100,000 = 237.644; round to 238 units of ₱100,000, giving ₱23,800,000.

C • That rounds to the nearest ₱10,000 rather than ₱100,000.

D • That preserves the unrounded result despite the reporting instruction.

Repair: Apply the agreed final reporting increment after completing the calculation.

Lessons 34. Source: S3 original reporting-rounding calculation; Lesson 34.

5. Q2-P4-005 • Answer C

Identify the relevant owner or prospective owner and the investment objectives reflected in the adopted basis.

A • Physical detail does not explain the adopted value basis.

B • A date change does not identify the relevant investor or objectives.

C • **Correct.** The basis is tied to specified investment objectives; its meaning should not be left to a generic value label.

D • That erases the basis distinction rather than explains it.

Repair: Explain the adopted value basis and its assignment-specific premise.

Lessons 34. Source: S5 IVS 101 20.01(h); original scenario.

6. Q2-P4-006 • Answer B

Correct the subject description throughout the report to match the land-only assignment.

A • Readers should not have to infer that a material subject description is inapplicable.

B • **Correct.** The template wording incorrectly extends what the opinion covers; the narrative and calculations must describe the same subject.

C • A zero row does not establish that improvements were part of the instructed valuation.

D • That removes the analysis supporting the actual assignment.

Repair: Remove template statements that misdescribe the completed work.

Lessons 34. Source: S2 RICS framework guidance; original scenario.

Section P4 Answers and Explanations

Items 7–9 • Version 1.0

7. Q2-P4-007 • Answer A

Identify the material special assumption beside the summary conclusion and direct the reader to its full explanation.

A • Correct. The condition governing the amount should travel with the conclusion rather than depend on an easily separated appendix.

B • Stronger display does not reveal the material premise.

C • Images do not communicate this analytical premise.

D • Conciseness does not justify hiding the condition on which the value depends.

Repair: Keep material qualifications visible with a conclusion that may be read separately.

Lessons 34. Source: S2 RICS report framework guidance; original scenario.

8. Q2-P4-008 • Answer C

A prospective value at the stated future date under the explicitly stated completion premise.

A • That describes a different asset condition from the scenario analysed.

B • The scenario opinion does not guarantee an eventual transaction.

C • Correct. The future date and assumed completed condition define this scenario and distinguish it from today's vacant-site value.

D • The completed condition has not been observed at the present site.

Repair: Attach both the future date and assumed condition to a prospective conclusion.

Lessons 34. Source: S3 original prospective-reporting scenario; Lessons 34 and 36.

9. Q2-P4-009 • Answer A

Subject parcel highlighted separately; neighbouring parcel shown for location context only.

A • Correct. The illustration should distinguish the valued subject from contextual surroundings.

B • Exclusion from an illustration does not establish a physical or legal fact.

C • An illustration is not a legal ownership determination.

D • Map styling cannot expand the instructed subject.

Repair: Make the scope of a map or illustration clear to the report reader.

Lessons 34. Source: S3 original illustration-caption exercise; Lesson 34.

Section P4 Answers and Explanations

Items 10–12 • Version 1.0

10. Q2-P4-010 ● Answer D

Owner-supplied photograph of the earlier layout, with its stated capture date identified.

A ● That misstates both the source and timing.

B ● The known timing is relevant to understanding what the image shows.

C ● Report insertion does not make an earlier image current.

D ● Correct. The caption should reveal the image's source and time rather than imply a current direct observation.

Repair: Attribute supplied images and distinguish historical from current evidence.

Lessons 34. Source: S3 original photographic-attribution scenario; Lesson 34.

11. Q2-P4-011 ● Answer C

Attribute each input to its actual source and identify the different verification performed or remaining.

A ● The reader needs to understand support for material inputs.

B ● Use in a calculation does not establish audit or verification.

C ● Correct. The two inputs have different evidential support; a report should not describe both as independently verified.

D ● That exchanges the nature of the sources.

Repair: Use source descriptions that accurately reflect the verification performed.

Lessons 34. Source: S3 original input-attribution scenario; Lesson 34.

12. Q2-P4-012 ● Answer B

Concealed foundations were not inspected; explain the relevant assumption and its effect on the opinion.

A ● Visible wall photographs do not establish inspection of concealed foundations.

B ● Correct. Absence of inspection is a limitation, not evidence that concealed defects are absent.

C ● A report condition cannot determine an unobserved physical fact.

D ● A valuation conclusion does not supply an unperformed technical examination.

Repair: Describe the investigation limit without converting it into a factual assurance.

Lessons 34. Source: S3 original limitation-wording scenario; Lesson 34.

Section P4 Answers and Explanations

Items 13–15 • Version 1.0

13. Q2-P4-013 • Answer C

Area of 840 m² adopted from the identified plan; describe the limited checks made and the reliance premise.

A • That conceals a material input and its basis.

B • Partial checks do not establish complete measurement.

C • **Correct.** The report can distinguish an adopted source measure from the narrower independent checks actually performed.

D • The stated work was not a full survey.

Repair: State whether an area was adopted or independently measured and explain the extent of checks.

Lessons 34. Source: S3 original measurement-reporting scenario; Lesson 34.

14. Q2-P4-014 • Answer C

Retain the investigation and exclusion reason, and explain the material selection rationale where relevant.

A • That destroys the record of a considered material alternative.

B • That contradicts its exclusion and carries unallocated assets into the comparison.

C • **Correct.** The excluded evidence can help explain why the used dataset fits the subject; exclusion should be traceable.

D • That misrepresents the unresolved allocation.

Repair: Record reasons for rejecting material evidence considered during the assignment.

Lessons 34. Source: S1 IVS 106 section 20; original scenario.

15. Q2-P4-015 • Answer D

Identify the specialist input, relevant findings and how they affect the deduction and any related limitation.

A • That misattributes work carried out by the specialist.

B • The reader needs the input bearing on this valuation, not unrelated credentials alone.

C • That does not explain the technical reliance.

D • **Correct.** The deduction should be connected to the technical evidence on which it relies.

Repair: Connect specialist findings to the valuation treatment they support.

Lessons 34. Source: S1 IVS 106 30.06(o); original scenario.

Section P4 Answers and Explanations

Items 16–18 • Version 1.0

16. Q2-P4-016 • Answer C

Use appropriately anonymised evidence identifiers and meaningful transaction attributes, with confidential supporting records retained under the applicable arrangements.

A • That gives the reader no meaningful basis to understand the analysis.

B • Anonymisation does not justify fabricated evidence.

C • **Correct.** The report can communicate relevant evidence and reasoning while handling identities in accordance with the actual confidentiality requirements.

D • Traceability and unrestricted publication are different matters.

Repair: Preserve analytical transparency while respecting actual confidentiality arrangements.

Lessons 34. Source: S3 original confidential-evidence scenario; Lesson 34.

17. Q2-P4-017 • Answer A

Describe the selected transactions, comparison measure, supported adjustments and reasoning linking them to the subject indication.

A • **Correct.** Naming an approach does not explain its application; the reader needs the analytical route to the result.

B • The result's appearance is not an explanation of its derivation.

C • That introduces a different unexplained calculation.

D • Repetition does not describe the analysis.

Repair: Explain the application of the method rather than merely naming its approach.

Lessons 34, 36. Source: S3 original methods-narrative scenario; Lessons 34 and 36.

18. Q2-P4-018 • Answer A

Retained improvements ₱8.5m; total including land ₱12.5m.

A • **Correct.** Improvements = 11 − 2.5 = ₱8.5m; add separate land ₱4m to obtain total ₱12.5m. Both amounts need their correct labels.

B • That adds the loss instead of deducting it.

C • That omits land from the total.

D • That includes land in the improvement subtotal and adds it again.

Repair: Make schedule labels match the scope of the amount calculated.

Lessons 34, 36. Source: S3 original cost-table reporting calculation; Lessons 34 and 36.

Section P4 Answers and Explanations

Items 19–21 • Version 1.0

19. Q2-P4-019 • Answer C

Reconstruct a compatible income measure and explain the included and excluded items consistently with the adopted rate.

A • A new label does not resolve the defined income-rate mismatch.

B • That removes a material input rather than repairing the analysis.

C • Correct. The report should not conceal a mismatch between the income definition and the rate applied.

D • An owner's accounting presentation does not establish the compatible property-income definition.

Repair: Keep the report's income label consistent with its calculation and rate definition.

Lessons 34, 36. Source: S3 original income-definition reporting scenario; Lessons 34 and 36.

20. Q2-P4-020 • Answer B

Correct the narrative to the year-5 exit and verify related terminal assumptions and timing references throughout the report.

A • That changes the agreed analysis to accommodate a drafting error.

B • Correct. The prose and schedule should describe the same supported cash-flow event.

C • The difference affects discounting and the event being modelled.

D • That removes information needed to interpret a material flow.

Repair: Check narrative dates against the approved cash-flow schedule.

Lessons 34, 36. Source: S3 original DCF narration scenario; Lessons 34 and 36.

21. Q2-P4-021 • Answer A

Identify the approach considered and explain why the available evidence did not support its use in this assignment.

A • Correct. A reason tied to this asset and evidence is more informative than a generic omission.

B • That conceals a material analytical decision.

C • That reports an unsupported result.

D • The assignment-specific evidence limitation does not establish that universal rule.

Repair: Explain material approach-selection decisions using the actual evidence conditions.

Lessons 34, 36. Source: S3 original approach-selection reporting scenario; Lessons 34 and 36.

Section P4 Answers and Explanations

Items 22–24 • Version 1.0

22. Q2-P4-022 • Answer B

Explain the relative evidential strengths, limitations and reasoning for the adopted conclusion.

A • Repetition does not identify the supporting reasoning.

B • Correct. The reader needs the decision connecting the indications to the final opinion; a reconciliation label alone does not supply it.

C • The count of indications does not justify equal reliance.

D • That can hide a material alternative rather than explain its treatment.

Repair: Write the reasoning that links the evidence to the adopted conclusion.

Lessons 34, 36. Source: S3 original reconciliation-narrative scenario; Lessons 34 and 36.

23. Q2-P4-023 • Answer C

Result under a 10% lower-rent scenario; no probability is assigned by this sensitivity test.

A • The size of an input change does not establish this probability.

B • One tested scenario does not establish every possible outcome.

C • Correct. A deterministic change in an input is a scenario calculation, not a probability statement.

D • No statistical interval has been established by the stated test.

Repair: Distinguish a sensitivity scenario from a statistical confidence or probability claim.

Lessons 34, 36. Source: S3 original sensitivity-caption scenario; Lessons 34 and 36.

24. Q2-P4-024 • Answer A

Explain the evidential uncertainty and use a reporting precision appropriate to the supported conclusion.

A • Correct. Display precision is not evidence of measurement accuracy or certainty.

B • Additional digits do not improve evidence.

C • Selecting an extreme does not establish certainty.

D • A point opinion can have material limitations.

Repair: Separate numerical display precision from the support for the value opinion.

Lessons 34, 36. Source: S3 original precision-and-uncertainty scenario; Lessons 34 and 36.

Section P4 Answers and Explanations

Items 25–27 • Version 1.0

25. Q2-P4-025 • Answer A

Give each column its basis, date and applicable condition, and distinguish the two conclusions in the text.

A • Correct. The same short label hides different premises that govern how the amounts may be interpreted.

B • The scenarios do not represent additive assets under the stated facts.

C • The issue is inadequate labelling, not the amount's relative size.

D • Position does not explain which premise applies.

Repair: Label multiple conclusions by their governing premises.

Lessons 34, 36. Source: S3 original multiple-conclusion presentation; Lessons 34 and 36.

26. Q2-P4-026 • Answer D

Report the supported opinion under its stated basis and date, without claiming a guaranteed sale outcome.

A • That remains an unsupported transaction assurance.

B • Comparable evidence does not create a sale guarantee.

C • A longer period does not establish a guaranteed outcome.

D • Correct. An appraisal conclusion is not the described contractual guarantee or proof of a future transaction.

Repair: Do not convert a value opinion into an unsupported sale guarantee.

Lessons 34, 36. Source: S3 original conclusion-wording scenario; Lessons 34 and 36.

27. Q2-P4-027 • Answer D

State reliance on the identified geotechnical findings and explain their relevance to the valuation premise.

A • Review of findings is not performance of the original technical work.

B • That is an unsupported substitute for asset-specific technical evidence.

C • That conceals the actual source of the relied-on finding.

D • Correct. The report should distinguish specialist findings from work personally undertaken by the appraiser.

Repair: Attribute technical findings to the work that actually produced them.

Lessons 34, 36. Source: S3 original specialist-attribution wording; Lesson 34.

Section P4 Answers and Explanations

Items 28–30 • Version 1.0

28. Q2-P4-028 ● Answer D

Identify the access premise where the conclusion and relevant analysis are explained, with a clear cross-reference to its full treatment.

A ● An image edit does not explain assumed access.

B ● That conceals a premise which materially governs the analysis.

C ● Length does not establish a clear link.

D ● Correct. A material property-use condition should be linked to the value it affects.

Repair: Connect material conditions to the conclusion and analysis they govern.

Lessons 34, 36. Source: S3 original material-condition presentation; Lesson 34.

29. Q2-P4-029 ● Answer A

Identify each person's actual role and responsibility in the completed work.

A ● Correct. A signature should not leave the reader to infer whether a person valued, reviewed or supplied specialist input.

B ● That changes the assignment role inaccurately.

C ● That misstates how the work was performed.

D ● Multiple roles do not justify concealing responsibility.

Repair: Make responsibility and participation clear in the report's identification.

Lessons 34, 36. Source: S1 IVS 106 30.06(c); S3 original role-identification scenario.

30. Q2-P4-030 ● Answer D

Do not claim IVS compliance when the identified restriction prevents it.

A ● Disclosure elsewhere does not make a knowingly false compliance claim accurate.

B ● Commercial preference does not determine whether the work complies.

C ● A layout does not establish substantive compliance.

D ● Correct. The compliance statement must reflect the valuer's conclusion about the work, not contradict the known restriction.

Repair: Ensure a standards-compliance statement is supported by the actual valuation work.

Lessons 34, 36. Source: S1 IVS 106 30.08; original scenario.

Section P4 Answers and Explanations

Items 31–33 • Version 1.0

31. Q2-P4-031 ● Answer A

Use a concise format that still conveys the required assignment information and a sufficient basis for the conclusion.

A ● Correct. Abbreviated reporting is possible; brevity does not remove the information needed to understand the opinion.

B ● Page count does not establish substantive content.

C ● The format choice does not supply that exemption.

D ● Property familiarity does not communicate the governing premise and rationale.

Repair: Reduce repetition while preserving material reporting content.

Lessons 34, 36. Source: S1 IVS 106 30.04 and 30.06; original scenario.

32. Q2-P4-032 ● Answer C

Replace the certification with an accurate account of the investigation performed and its limitations.

A ● A copied photograph does not establish a visit by this appraiser.

B ● Client agreement does not make an unperformed inspection true.

C ● Correct. A report cannot truthfully certify an inspection that did not occur.

D ● That supplies a date for work which was not done.

Repair: Match every certification to the work actually performed.

Lessons 34, 36. Source: S2 RICS framework guidance; original scenario.

33. Q2-P4-033 ● Answer B

As a valuation requiring the valuation-report treatment, alongside a clear account of the review work.

A ● Document placement does not remove the nature of the value opinion.

B ● Correct. Providing the reviewer's own value introduces valuation reporting requirements; it is not merely an observation on another report.

C ● That misattributes authorship of the replacement opinion.

D ● A new value is a substantive conclusion, not only formatting.

Repair: Distinguish a review conclusion from an independently developed valuation opinion.

Lessons 34, 36. Source: S1 IVS 106 40.02; original scenario.

Section P4 Answers and Explanations

Items 34–36 • Version 1.0

34. Q2-P4-034 ● Answer B

Confirm the approved version and its status, and ensure the issued file and transmittal identify that version consistently.

A ● Recent access is not approval status.

B ● Correct. Issue control should distinguish the review copy from the authorised final result.

C ● That can create an uncontrolled hybrid report.

D ● A visual change does not establish authorisation or final content.

Repair: Verify approval status and version identity before issue.

Lessons 34, 36. Source: S3 original report-issue control; Lesson 36.

35. Q2-P4-035 ● Answer B

The new-date conclusion needs work and disclosure supporting the update, rather than a date-only relabelling of the old analysis.

A ● An untested adjustment does not support the updated conclusion.

B ● Correct. The report should explain the current work and material developments relevant to the new valuation date.

C ● Deleting history does not perform or explain the update.

D ● The same asset can have different conditions and market evidence at a later date.

Repair: Describe the work supporting a new-date opinion and retain its relationship to the earlier report.

Lessons 34, 36. Source: S1 IVS 106 30.05; original scenario.

36. Q2-P4-036 ● Answer B

The essential date and condition needed to interpret the displayed amount, with a clear reference to the full report.

A ● Branding does not explain the analytical context.

B ● Correct. An excerpt should not turn a conditional, dated opinion into an apparently unconditional current amount.

C ● Selection by size does not preserve the conclusion's meaning.

D ● Shortening does not waive the premises governing the opinion.

Repair: Keep material context with a conclusion when it is excerpted.

Lessons 34, 36. Source: S3 original excerpt-control scenario; Lesson 36.

Section P4 Answers and Explanations

Items 37–39 • Version 1.0

37. Q2-P4-037 ● Answer D

Determine the period from the applicable legal, regulatory, authoritative or contractual requirements for the intended use.

A ● The stated source does not prescribe that universal term.

B ● Memory is not a retained written record of the work.

C ● Payment does not establish the applicable retention obligation.

D ● Correct. IVS 106 connects retention to applicable requirements; the missing context does not justify inventing one universal duration.

Repair: Check the actual retention requirements instead of assuming a universal period.

Lessons 34, 36. Source: S1 IVS 106 20.04; original scenario.

38. Q2-P4-038 ● Answer D

Identify the actual issuing body, document, edition and relevant provision, and provide a retrievable source reference.

A ● Ranking does not establish the meaning of the source.

B ● Repetition does not identify the governing source.

C ● That does not provide support for a material standards claim.

D ● Correct. A useful citation points to the underlying authority and passage rather than a changing search result.

Repair: Cite the underlying source with enough detail to locate the relevant provision.

Lessons 34, 36. Source: S3 original source-citation exercise; Lesson 34.

39. Q2-P4-039 ● Answer B

Align the summary with the approved ₱14.6m conclusion and check every repeated amount and related reference.

A ● An inconsistent final amount is not resolved by its relative size.

B ● Correct. The discrepancy is a transcription inconsistency under the stated facts; it should be corrected across the document.

C ● A printing discrepancy does not justify a new valuation.

D ● That replaces the approved result without analytical support.

Repair: Check every repeated conclusion against the approved analysis before issue.

Lessons 34, 36. Source: S3 original final-document consistency check; Lesson 36.

Section P4 Answers and Explanations

Item 40 • Version 1.0

40. Q2-P4-040 • Answer D

Identify the affected issued version, describe the corrected interest statement and its effect on the opinion, and clearly identify the superseding document under the applicable issue procedures.

A • A drafting error does not itself establish a new value.

B • That hides the correction and leaves the version history unclear.

C • That misstates the work behind the correction.

D • Correct. A material correction should be traceable; readers need to know what changed and which document is operative.

Repair: Make a material post-issue correction and its operative version explicit.

Lessons 34, 36. Source: S3 original post-issue correction scenario; Lesson 36.

Apply the reporting checks

When reviewing a report draft, mark statements that describe the subject, dates, investigation, evidence and conclusion. Check each against the approved workfile. Record the correction needed and the reason before changing the final version.

Review note _____
Affected section _____
Supporting workfile record _____
Required correction _____
Final consistency check _____

Section P4 Score Record

Name _____ Date _____ Version 1.0
Section score ____ / 40 = ____%; elapsed time _____
First / repeated _____ Open / closed book _____

Set	Correct	Lessons	Repair priority
A	____ / 8	34	_____
B	____ / 8	34	_____
C	____ / 8	34, 36	_____
D	____ / 8	34, 36	_____
E	____ / 8	34, 36	_____

Interpret the result

Each set contains eight items: set percentage = correct / 8 × 100. One answer changes that percentage by 12.5 points. Use the specific errors and confidence notes to locate the skill gap; these short-set percentages are not calibrated mastery measures.

Section completion

Subject purpose and date errors repaired _____
Evidence attribution and assumption errors repaired _____
Method and rationale errors repaired _____
Conclusion and compliance errors repaired _____
Issue update and correction errors repaired _____

This complete volume contains all 400 topic-practice questions and two fresh 100-item mocks. Use the diagnostic records and lesson routes to repair errors, then attempt the mocks under recorded conditions.

Section P4 Error Repair Record

Use one entry for each error and each uncertain correct response. Preserve the original response while reconstructing the reporting decision.

Item ID _____ Original answer ____ Correct answer ____

Misleading statement or omission _____

Assignment fact that controls the answer _____

Evidence or work actually performed _____

Correct reporting treatment _____

Why the closest distractor fails _____

Relevant source edition and provision _____

Rewritten statement in your own words _____

Fresh changed-facts retest _____

Outcome and next review date _____

Before Section 5

Be able to connect the report's statements to the work actually performed. The machinery and equipment section develops asset identification, cost scope, condition, useful life, obsolescence and relevant valuation models. Carry forward accurate source attribution and clear qualification of assumptions.

For an editorial correction, update the exact item version, choices, key and explanation together. Retain the reason for the change and preserve previously issued versions where required by the applicable record procedures.

Section P4 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify conceptual background; the questions supply newly authored scenarios. Apply the stated source edition and actual assignment conditions together.

S1 ● IVSC IVS 106 Documentation and Reporting

International Valuation Standards, effective 31 January 2025. References concern reporting content, workfile records, compliance statements and the distinction between review and valuation. IVSC-authored text hosted by SAICA. Original scenarios apply selected concepts; the standard and its examples are not reproduced.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S2 ● RICS Report Framework Guidance

Red Book Terms of Engagement and Valuation Report Frameworks: guidance on use, January 2025 context. The guidance explains tailoring frameworks to the actual assignment and keeping report statements consistent with the engagement and completed investigation. Used as conceptual background rather than a universal Philippine reporting mandate.

https://www.rics.org/content/dam/ricsglobal/documents/standards/Guidance_on_Use_of_Red_Book_Terms_of_Engagement___Valuation_Report_Frameworks_2025.pdf

S3 ● REALEX original report scenarios

Primary routes: Lessons 34 and 36. All 40 stems, choices and explanations are original. They test accurate reporting under fictional facts, including two numerical consistency exercises. Issue controls and correction records are practical exercises, not a claimed universal legal procedure.

Course route: REALEX Lessons 34 and 36

Section P4 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify conceptual background; the questions supply newly authored scenarios. Apply the stated source edition and actual assignment conditions together.

S4 ● PRC July 2026 examination program

Page 1 includes appraisal report writing within Professional Appraisal Practice, a subject carrying 50% of the examination. The 40-item topic allocation is editorial. The applicable 2027 program and detailed TOS remain to be verified.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

S5 ● IVSC IVS 101 Scope of Work

Same identified IVS edition. Selected references concern intended use, user, asset identification, dates and explanation of the adopted basis. Reporting should remain consistent with the actual scope and applicable requirements; a report format does not independently establish compliance.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

Source and edition discipline

A statement attributed to a particular standard should identify that standard and edition. Do not substitute a later consultation draft for the identified requirements. Determine the applicable Philippine requirements and assignment instructions before using professional guidance in actual practice.

The originality check covers the 808 previously completed questions in this series. No purchased question-bank item or recalled licensure examination question is used as a template. The check is not an exhaustive comparison with every question published elsewhere.

Section 5 Machinery and Equipment

QUESTIONNAIRE 2 • Professional Appraisal Practice

40 original four-option questions
Q2-P5-001 to Q2-P5-040 • Content version 1.0
2027 Preparation Edition • Prepared 13 October 2026

This section applies Lesson 29 to machinery and equipment valuation. The task is to define the asset package and rights, assess condition and economic utility, select compatible evidence and calculate amounts under clear operating or disposal premises. Distinguish a model result from a supported opinion on an actual asset.

Instructions

Select one best answer A–D under the stated facts. Attempt all 40 questions or one eight-item set at a time. Keep the key and explanations closed until review. Record elapsed time and whether this is a first or repeated, open- or closed-book attempt. No official PRC time allowance is assigned to this topic section.

Valuation and calculation conventions

All asset scenarios, specifications, amounts and rates are fictional supplied inputs. Installed use, removal, salvage and net seller proceeds are distinct premises. Ownership, software rights, complementary assets and the party bearing costs must be identified before amounts are combined.

Carry intermediate precision and round only as the question specifies. Amounts marked m are millions. Supplied retention factors, scaling exponents, indices, cash-flow schedules and tax treatment are exercise premises, not universal valuation rules or statutory determinations. Discount stated year-end flows over their own periods.

Book pages	Contents
187	Coverage and lesson routes
188	Answer sheet for all 40 items
189–198	40 questions four per page
199	Compact answer key
200–213	Answers and per-option explanations
214–215	Score and error repair records
216–217	Selected sources and currency notes

The 2026 PRC program includes appraisal of machinery and equipment within Professional Appraisal Practice. The 40-item allocation and five sets are editorial. The applicable 2027 program and detailed TOS remain to be verified. These are original practice questions, not actual or recalled PRC questions. [S4]

Section P5 Coverage and Lesson Routes

Set	Items	Competency	Lessons
A	1–8	Asset identity rights and valuation premise	29
B	9–16	Condition capacity and economic life	29
C	17–24	Cost scope and obsolescence calculations	29
D	25–32	Market income and alternative-use evidence	29
E	33–40	Applied plant scenarios and final review	29

Study route

29 • Machinery and equipment: identification and ownership, installed and removal premises, technical specification, condition, useful and economic life, replacement-cost scope, physical and functional losses, external constraints, market evidence and attributable income.

Keep the asset package consistent

Record what is included and excluded, how it can function and what rights support that use. A line in operating use is not necessarily equivalent to its component machines sold separately. A vendor quote, a used sale and a net disposal estimate can each contain different costs and benefits.

Checks before accepting an indication

Match the premise, asset identity and condition. Separate rated capacity from actual output and temporary idleness from permanent loss of utility. Check that deductions do not repeat disadvantages already removed from the replacement base. Distinguish depreciation in accounts from a supported valuation loss.

All 40 stems have been checked against the 848 earlier questions in the series. Twelve numerical items have been independently recomputed. Difficulty labels are editorial intentions and have not been statistically calibrated.

Section P5 Answer Sheet

Items 1–40 • Version 1.0

Name _____ Date _____
Attempt no. _____ First / repeated _____
Open / closed book _____ Started _____ Finished _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	11	A B C D	21	A B C D	31	A B C D
2	A B C D	12	A B C D	22	A B C D	32	A B C D
3	A B C D	13	A B C D	23	A B C D	33	A B C D
4	A B C D	14	A B C D	24	A B C D	34	A B C D
5	A B C D	15	A B C D	25	A B C D	35	A B C D
6	A B C D	16	A B C D	26	A B C D	36	A B C D
7	A B C D	17	A B C D	27	A B C D	37	A B C D
8	A B C D	18	A B C D	28	A B C D	38	A B C D
9	A B C D	19	A B C D	29	A B C D	39	A B C D
10	A B C D	20	A B C D	30	A B C D	40	A B C D

After the attempt

Correct ____ / 40; blank ____; wrong ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson or equipment skill _____

Mark one response per item. This book awards one point for a correct answer and zero for wrong, blank or multiple responses; that is an editorial practice convention. Preserve initial responses before checking the key.

Set A Asset identity rights and valuation premise

Items 1–4 • Select one best answer.

1. Q2-P5-001 • Set A

A factory register includes a generator hired from a supplier. The engagement values only machinery owned by the factory, and excludes leased rights. What inventory treatment fits that instruction?

A. Delete every reference to the generator from the investigation record.

B. Identify the generator as hired equipment and exclude it from the owned-machinery total.

C. Include the generator as owned because it supplies the factory.

D. Value the supplier's whole fleet as part of the factory inventory.

2. Q2-P5-002 • Set A

Two entries describe the same compressor model, but their recorded serial numbers differ. The site has two similar compressors. Which identification step should precede combining or deleting the entries?

A. Delete the second entry because identical models must be one asset.

B. Match each serial number, location and physical item to the asset register.

C. Replace both serial numbers with the model number.

D. Count four assets because there are two records and two machines.

3. Q2-P5-003 • Set A

An integrated filling line is valued in operating use. Its controller is essential to every station, but the proposed asset list excludes the controller and assumes the line still operates. What scope issue needs resolution?

A. Use the line's purchase year to prove that a controller is available.

B. Whether the controller is included or available under a clearly supported complementary-asset premise.

C. Treat each station as fully independent because each has its own frame.

D. Add the entire business's goodwill to replace the missing controller.

4. Q2-P5-004 • Set A

A machine functions only with licensed operating software. The licence cannot transfer to a buyer under the stated terms. Which valuation enquiry is material?

A. Assess how the licence restriction and any available replacement licence affect the buyer's usable machine package.

B. Add the seller's full software development cost to the machine price.

C. Treat all software as irrelevant to machinery value because it is intangible.

D. Assume the software transfers because it is already installed.

Set A Asset identity rights and valuation premise

Items 5–8 • Select one best answer.

5. Q2-P5-005 • Set A

A building appraisal already includes its central cooling plant. A separate equipment schedule includes the same plant, and a portfolio summary proposes adding both totals. What boundary control is needed?

A. Identify the shared component and reconcile its inclusion so the portfolio does not count it twice.

B. Add both totals because the plant has two schedule references.

C. Delete all cooling equipment from both schedules without checking the assignment.

D. Treat the cooling plant as inventory stock solely to avoid overlap.

6. Q2-P5-006 • Set A

A purchaser asks for a machine's value after removal, while the available indication assumes continued operation in its current installation. Which difference must be addressed?

A. Use the higher indication and omit the premise difference.

B. The two premises are equivalent whenever the machine model is unchanged.

C. The removal premise, associated costs and any lost in-place components or utility.

D. Deduct every historical installation cost automatically at its original amount.

7. Q2-P5-007 • Set A

A standby generator was not run during inspection. The records include a dated service report and operating log, but no current test result. Which condition statement matches the available evidence?

A. Certify rated-load output because the casing appears clean.

B. Identify the records reviewed and the absence of a current observed running test, without certifying untested performance.

C. Conclude the generator has no utility because it was not started that day.

D. Describe the maintenance log as the appraiser's own operating test.

8. Q2-P5-008 • Set A

A production unit is assembled but has not been commissioned. The instruction asks for its present condition, while a draft assumes it is already producing at rated output. What premise needs clarification?

A. Describe all future commissioning costs as already paid without checking records.

B. Value the unit as scrap because commissioning has not occurred.

C. Treat assembly completion as proof of successful commissioning.

D. Separate the current uncommissioned condition from any expressly stated commissioned-use scenario.

Set B Condition capacity and economic life

Items 9–12 • Select one best answer.

9. Q2-P5-009 • Set B

A bottling machine is rated at 10,000 units per hour. The factory currently produces 6,000 units per hour because packaging supply limits the line. What distinction should the appraiser preserve?

A. Machine-rated capacity is not the same as observed line output under the stated supply constraint.

B. Add rated and actual output to obtain effective capacity of 16,000 units.

C. The 10,000-unit rating proves the whole line can sustain that output in all conditions.

D. The machine's rated capacity must be reduced to 6,000 solely because that is current line output.

10. Q2-P5-010 • Set B

An operating-hours meter was replaced during overhaul. Its current reading is low, but the service history shows substantial earlier use. Which condition assessment is strongest?

A. Set economic age equal to the date the meter was fitted.

B. Treat the low reading as proof that the whole machine is nearly new.

C. Consider the combined operating and maintenance history rather than treating the replacement meter reading as lifetime hours.

D. Ignore all current meter information because it was replaced.

11. Q2-P5-011 • Set B

A sound machine cannot meet the tighter product tolerance required by its market, although there is no identified wear or damage. Which loss category most directly describes the stated limitation?

A. No possible loss because the machine can still turn on.

B. Functional or technological obsolescence associated with the mismatch in required performance.

C. External obsolescence solely because a bearing is worn.

D. Physical deterioration solely because the machine fails a new product specification.

12. Q2-P5-012 • Set B

A quarry-processing plant remains technically sound, but the only economically accessible raw-material deposit is nearly exhausted. No alternative feed source is supported. What value influence should be investigated?

A. A universal rule that all sound equipment retains cost new.

B. A foundation crack, even though no physical defect is observed.

C. Automatic replacement of the plant's purchase date with the deposit's discovery date.

D. An external or economic limitation on the plant's future utility and operating period.

Set B Condition capacity and economic life

Items 13–16 • Select one best answer.

13. Q2-P5-013 • Set B

Two machines provide the same required output, but the older design consumes substantially more energy. A modern replacement-cost estimate already reflects the efficient design. What further loss check is important?

A. Use the higher historical purchase price to offset any efficiency disadvantage.

B. Assume energy cost can never affect machinery value.

C. Deduct the old machine's entire lifetime electricity bill as functional loss.

D. Whether a proposed additional energy-related deduction would duplicate a utility adjustment already reflected in the replacement premise.

14. Q2-P5-014 • Set B

An overhaul replaces bearings and seals but leaves the frame, drive and controls unchanged. What inference about economic life is most defensible?

A. Assess the effect of the work on relevant components and future utility without automatically resetting the entire asset to new.

B. Replace the machine's original model with the model of its new seals.

C. Give every component a zero effective age because the invoice says overhaul.

D. Treat the work as having no possible effect because the original installation date is unchanged.

15. Q2-P5-015 • Set B

A chiller is idle during a seasonal shutdown. It was serviceable at the last documented test, and the seasonal demand cycle is established. What conclusion follows from idleness alone?

A. Permanent physical failure because demand is seasonal.

B. Zero value because all non-operating machines are scrap.

C. Idleness is a current operating state and does not by itself establish zero value or permanent obsolescence.

D. Cost new because a past test proved serviceability.

16. Q2-P5-016 • Set B

A machine has an estimated remaining service life of eight years. Its premises lease expires in three years, with no renewal and no feasible relocation under the stated scenario. What period can the stated in-place use support?

A. At most the three remaining lease years, despite the longer machine service-life estimate.

B. Eleven years by adding the lease and service lives.

C. Eight years because machine life overrides the premises lease.

D. Zero years because the lease will eventually expire.

Set C Cost scope and obsolescence calculations

Items 17–20 • Select one best answer.

17. Q2-P5-017 • Set C

A supplied installed-cost model uses machine price ₱900,000, freight ₱50,000, installation ₱150,000 and commissioning ₱40,000. A separate ₱108,000 tax amount is fully recoverable and explicitly excluded by this model. What installed cost follows?

A. ₱1,248,000.

B. ₱990,000.

C. ₱900,000.

D. ₱1,140,000.

18. Q2-P5-018 • Set C

A supplier's installed quote already includes transport, erection and commissioning. A worksheet adds separately estimated amounts for those same activities. What correction is needed?

A. Deduct the supplier's full quote because every installed price is unreliable.

B. Reconcile the quote's inclusions and remove duplicated allowances for the same work.

C. Add another commissioning allowance to ensure completeness.

D. Classify the duplication as depreciation and retain both costs.

19. Q2-P5-019 • Set C

A supplied cost-to-capacity model starts from ₱5m for 400 units/hour. Cost for 200 units/hour equals ₱5m multiplied by the capacity ratio raised to 0.6. What model cost follows to the nearest ₱1,000?

A. ₱5 million.

B. ₱2.5 million.

C. ₱7.579 million.

D. ₱3.299 million.

20. Q2-P5-020 • Set C

A machine's historical acquisition cost is ₱3m at an index of 150. A supplied model restates only that acquisition cost to an index of 180 and adds a current ₱0.4m installation allowance. What total follows?

A. ₱2.9 million.

B. ₱4.08 million.

C. ₱3.4 million.

D. ₱4 million.

Set C Cost scope and obsolescence calculations

Items 21–24 • Select one best answer.

21. Q2-P5-021 • Set C

A stipulated equipment model starts at ₱10m and applies three independent sequential retention factors: 80% physical, 90% functional and 85% external. No factor overlaps another. What retained amount results?

A. ₱7.2 million.

B. ₱5.5 million.

C. ₱6.12 million.

D. ₱0.03 million.

22. Q2-P5-022 • Set C

A proposed repair costs ₱220,000, but the supported otherwise-equivalent machine value would increase by only ₱120,000. No other benefits are included. What does that evidence indicate about economic curability?

A. The stated repair is not economically justified by the stated value gain alone.

B. The value gain should be increased to equal cost so the repair becomes curable.

C. The repair is economically justified merely because it is technically possible.

D. The entire machine must have zero value because this repair is uneconomic.

23. Q2-P5-023 • Set C

A cost model uses a modern equivalent machine that already omits the subject's obsolete auxiliary assembly. It then deducts the full original cost of that assembly again. What should the reviewer examine?

A. Whether the second deduction repeats a deficiency already removed from the modern-equivalent cost base.

B. Whether accounting depreciation can be added back to cancel the duplication.

C. Whether obsolete assemblies are automatically marketable at cost new.

D. Whether every original component cost must be deducted from modern replacement cost.

24. Q2-P5-024 • Set C

A dismantled machine yields 10 tonnes of saleable metal at a supplied ₱18,000 per tonne. Seller-paid disposal and preparation costs total ₱80,000. With no other receipts or costs, what net salvage amount remains?

A. ₱80,000.

B. ₱100,000.

C. ₱180,000.

D. ₱260,000.

Set D Market income and alternative-use evidence

Items 25–28 • Select one best answer.

25. Q2-P5-025 • Set D

A dealer's asking price includes refurbishment and a warranty. An auction sale concerns a similar machine sold as-is with no warranty. Which comparison is strongest?

A. Reject all completed auction evidence solely because a dealer lists a higher amount.

B. Average the two prices without checking their packages.

C. Investigate condition, included support, transaction status and sale terms before treating the prices as comparable.

D. Treat the dealer's warranty as an identical benefit in the auction sale.

26. Q2-P5-026 • Set D

A verified used-equipment lot sells for ₱3.6m. Its supported allocation to transferable spare stock is ₱0.4m; the balance relates entirely to the machinery being analysed. What machinery consideration remains?

A. ₱3.2 million.

B. ₱2.8 million.

C. ₱3.6 million.

D. ₱4 million.

27. Q2-P5-027 • Set D

A used-machine sale is quoted at the seller's gate after disconnection. The subject premise is installed and ready for use elsewhere. What cost and condition comparison is needed?

A. Treat the gate price as a delivered operating price because both refer to the same model.

B. Add the original installation cost regardless of whether it contributes at the new location.

C. Assume the disconnected machine cannot be reinstalled under any circumstance.

D. Identify relevant transport, installation, readiness and condition differences between the quoted and subject packages.

28. Q2-P5-028 • Set D

A specialised process unit has no reliable recent used-equipment sales. Evidence supports a modern equivalent and its current installed cost, together with relevant losses in utility. Which analysis may be appropriate?

A. Treat absence of recent sales as proof that the asset has no value.

B. Apply a generic 50% used-machine discount to the original invoice.

C. A supported cost approach with the equivalent-utility premise and losses explained.

D. Use the historical net book value as market value without further analysis.

Set D Market income and alternative-use evidence

Items 29–32 • Select one best answer.

29. Q2-P5-029 • Set D

A machine operates within a profitable business. The analyst proposes capitalizing the entire business's earnings as the machine's value, without separating other assets' contributions. What issue should be resolved?

A. A machine's accounting depreciation is identical to its attributable earnings.

B. The business's full earnings belong to whichever machine is largest.

C. Every income approach is prohibited for equipment.

D. Whether the relevant machine or asset group has attributable cash flows, and how other contributory benefits are treated.

30. Q2-P5-030 • Set D

A supplied comparison gives an efficient machine net operating savings of ₱300,000 at each of the next two year-ends. Savings cease thereafter, with no terminal difference. At 10% annually, what present savings amount follows to the nearest peso?

A. ₱495,868.

B. ₱600,000.

C. ₱545,455.

D. ₱520,661.

31. Q2-P5-031 • Set D

A stipulated comparison gives net scrap proceeds of ₱200,000 now. Continued use has present benefits ₱450,000 but requires an immediate ₱300,000 repair; no other benefits or costs apply. Which alternative has the higher net present amount, and by how much?

A. The alternatives are equal because both include costs.

B. Continued use is higher by ₱250,000.

C. Scrap is higher by ₱50,000.

D. Continued use is higher by ₱150,000.

32. Q2-P5-032 • Set D

A machine sells during a short, compelled auction. The assignment seeks a different basis involving normal marketing conditions. What use of the auction observation is most defensible?

A. Delete the auction record solely because it is below an asking price.

B. Apply a universal 20% increase to convert every compelled price.

C. Investigate the sale's circumstances and explain its relevance and limitations for the instructed basis.

D. Rename the auction price normal-market value without analysing the circumstances.

Set E Applied plant scenarios and final review

Items 33–36 • Select one best answer.

33. Q2-P5-033 • Set E

A removal sale produces ₱1.8m gross to the seller. The seller pays ₱150,000 dismantling and ₱250,000 cleanup. The buyer separately pays ₱100,000 transport. What net seller receipt follows under these terms?

A. ₱2.2 million.

B. ₱1.4 million.

C. ₱1.8 million.

D. ₱1.3 million.

34. Q2-P5-034 • Set E

A supplied scenario gives ₱6m for an integrated operating line. Individual sales would produce ₱5.5m gross but require ₱0.7m seller removal and sale costs. With no other differences, what net advantage does the operating-line scenario have?

A. ₱0.7 million.

B. ₱0.5 million.

C. ₱1.2 million.

D. ₱10.8 million.

35. Q2-P5-035 • Set E

A fully depreciated machine remains operational and has supported demand in the used market. Its accounting net book value is zero. What valuation inference is appropriate?

A. The machine must be valued at original invoice cost because it still operates.

B. The used-market evidence must be deleted because it contradicts book value.

C. The book entry proves that all remaining economic benefits have expired.

D. Zero book value does not by itself establish zero value under the instructed valuation basis.

36. Q2-P5-036 • Set E

An insurance instruction expressly asks for a current as-new replacement-cost estimate under specified policy terms. The analyst instead reports a used-machine sale indication without explaining the different basis. What correction is required?

A. Develop and report the instructed cost estimate with the policy's defined inclusions and conditions, distinguishing it from the used-sale indication.

B. Add accumulated accounting depreciation to the used sale price to guarantee the required estimate.

C. Call the used price replacement cost and retain the same unexamined package.

D. Assume every insurance policy requires market value of used equipment.

Set E Applied plant scenarios and final review

Items 37–40 • Select one best answer.

37. Q2-P5-037 • Set E

A plant closure requires disposal of hazardous residues. The asset-sale instruction requests a defined net seller amount, but the estimated cleanup obligation is absent from the scope and calculation. What should be resolved?

A. Deduct the entire original plant construction cost as cleanup.

B. Whether the cleanup obligation belongs in that net-amount scope, and its supported cost and timing if included.

C. Ignore all closure costs because equipment is tangible.

D. Assume the cleanup obligation transfers to any buyer without checking the terms.

38. Q2-P5-038 • Set E

A stipulated model has installed cost new ₱4m and retains 75% after physical loss. A separate nonoverlapping functional deduction equals the present cost of excess energy: ₱120,000 at each of years 1–4, discounted at 10%. What amount remains to the nearest peso?

A. ₱2,520,000.

B. ₱3,000,000.

C. ₱2,619,616.

D. ₱3,619,616.

39. Q2-P5-039 • Set E

The equipment appraisal needs evidence of a crane's operational condition, but the appraiser has neither performed nor witnessed a load test. A competent technical specialist's recent test record is available for the identified crane. What is the strongest valuation use of that record?

A. Assess its identity, scope, date and relevant findings, and identify the technical reliance without claiming the appraiser performed the test.

B. Use a test record for another crane model without identifying the substitution.

C. Assume a value opinion itself certifies safe operation in every setting.

D. Claim personal load-test certification because the report was read.

40. Q2-P5-040 • Set E

An instructed owned-equipment schedule contains ten verified owned units at ₱400,000 each and two hired units at ₱600,000 each. Hired assets and lease rights are expressly excluded. What total matches the scope?

A. ₱4.8 million.

B. ₱4 million.

C. ₱5.2 million.

D. ₱1.2 million.

Section P5 Compact Answer Key

Items 1–40 • Version 1.0. Review after finishing.

Item	Key	Item	Key	Item	Key	Item	Key
1	B	11	B	21	C	31	C
2	B	12	D	22	A	32	C
3	B	13	D	23	A	33	B
4	A	14	A	24	B	34	C
5	A	15	C	25	C	35	D
6	C	16	A	26	A	36	A
7	B	17	D	27	D	37	B
8	D	18	B	28	C	38	C
9	A	19	D	29	D	39	A
10	C	20	D	30	D	40	B

Check the reasoning

Section percentage = correct / 40 × 100. Review uncertain correct responses with errors. Identify the asset premise, evidence and calculation or valuation issue before reading the explanation.

A section score describes performance on these questions under the recorded conditions. It does not certify an asset’s technical safety, an actual market value, an examination passing result or ranking.

Section P5 Answers and Explanations

Items 1–3 • Version 1.0

1. Q2-P5-001 • Answer B

Identify the generator as hired equipment and exclude it from the owned-machinery total.

A • An exclusion should remain identifiable so the scope can be understood.

B • Correct. Physical presence does not make the factory the owner; the instructed boundary excludes this hired item and its lease rights.

C • Use at the factory does not establish ownership.

D • That expands the subject beyond the instructed assets.

Repair: Separate possession and use from the ownership interest actually instructed.

Lessons 29. Source: S1 IVS 300 section 40; original scenario.

2. Q2-P5-002 • Answer B

Match each serial number, location and physical item to the asset register.

A • Two separate machines can share a model designation.

B • Correct. Model similarity alone cannot establish whether there are two assets or a duplicate record.

C • That removes the identifier needed to resolve the match.

D • Records and physical items should be matched rather than added as separate assets.

Repair: Reconcile asset-level identifiers before deciding that inventory records duplicate one another.

Lessons 29. Source: S3 original machinery-identification exercise; Lesson 29.

3. Q2-P5-003 • Answer B

Whether the controller is included or available under a clearly supported complementary-asset premise.

A • Age does not establish current availability.

B • Correct. The stated operating utility depends on the controller; its availability cannot remain inconsistent with the defined asset package.

C • Separate frames do not establish operational independence.

D • Goodwill is not a substitute for the required control asset.

Repair: Define complementary assets consistently with the proposed operating premise.

Lessons 29. Source: S1 IVS 300 40.01; original scenario.

Section P5 Answers and Explanations

Items 4–6 • Version 1.0

4. Q2-P5-004 • Answer A

Assess how the licence restriction and any available replacement licence affect the buyer's usable machine package.

A • Correct. The tangible machine's utility depends on software access; the relevant rights and replacement arrangements matter.

B • Historical spending does not establish the transferable benefit.

C • An intangible can affect the tangible asset's usability.

D • Installation does not override the supplied licence restriction.

Repair: Investigate rights to essential software rather than assuming physical possession supplies them.

Lessons 29. Source: S1 IVS 300 20.04; original scenario.

5. Q2-P5-005 • Answer A

Identify the shared component and reconcile its inclusion so the portfolio does not count it twice.

A • Correct. An item can appear in two schedules without representing two separate economic assets.

B • Two references do not create a second asset.

C • That may omit a component which belongs in the instructed portfolio.

D • A new label does not resolve the asset boundary.

Repair: Reconcile equipment and real-property boundaries before aggregating values.

Lessons 29. Source: S1 IVS 300 40.02; original scenario.

6. Q2-P5-006 • Answer C

The removal premise, associated costs and any lost in-place components or utility.

A • Selecting the higher amount does not reconcile the instructed condition.

B • An unchanged model does not preserve location-specific installation or utility.

C • Correct. An installed operating package and a removed machine may contain different recoverable benefits and costs.

D • Recoverability and actual removal effects require support; historical cost is not an automatic deduction.

Repair: Distinguish the asset package and costs under installed and removal premises.

Lessons 29. Source: S1 IVS 300 sections 40 and 50; original scenario.

Section P5 Answers and Explanations

Items 7–9 • Version 1.0

7. Q2-P5-007 • Answer B

Identify the records reviewed and the absence of a current observed running test, without certifying untested performance.

A • External appearance does not establish tested output.

B • **Correct.** A non-running inspection can support identification and visible condition, but should not be described as a completed performance test.

C • The missing test does not by itself prove no utility.

D • That misattributes the nature and source of the evidence.

Repair: Distinguish observed condition from tested performance and supplied maintenance information.

Lessons 29. Source: S3 original standby-equipment investigation; Lesson 29.

8. Q2-P5-008 • Answer D

Separate the current uncommissioned condition from any expressly stated commissioned-use scenario.

A • That changes the cost and condition facts.

B • Uncommissioned equipment is not necessarily scrap.

C • Physical assembly does not establish tested readiness.

D • **Correct.** Assembly and proven operating readiness are different conditions; the value premise must reflect the one being analysed.

Repair: Do not present an uncommissioned asset as proven operational without a supported scenario.

Lessons 29. Source: S3 original commissioning-premise exercise; Lesson 29.

9. Q2-P5-009 • Answer A

Machine-rated capacity is not the same as observed line output under the stated supply constraint.

A • **Correct.** Actual output can reflect another bottleneck; it does not automatically measure the machine's own technical capacity.

B • The measures are not additive capacities.

C • A single component rating does not establish every line constraint.

D • The supplied constraint lies in packaging supply, not established machine capacity.

Repair: Identify what constrains actual output before attributing underutilisation to the subject machine.

Lessons 29. Source: S3 original capacity-and-output scenario; Lesson 29.

Section P5 Answers and Explanations

Items 10–12 • Version 1.0

10. Q2-P5-010 ● Answer C

Consider the combined operating and maintenance history rather than treating the replacement meter reading as lifetime hours.

A ● A meter replacement is not necessarily complete asset renewal.

B ● The reading covers only the period recorded by that meter.

C ● Correct. A new meter can restart the recorded reading without restarting the machine's actual history.

D ● The current reading can still inform use since replacement.

Repair: Reconstruct use history when a counter or record has been reset.

Lessons 29. Source: S3 original operating-meter exercise; Lesson 29.

11. Q2-P5-011 ● Answer B

Functional or technological obsolescence associated with the mismatch in required performance.

A ● Ability to run does not establish required market utility.

B ● Correct. The issue is utility relative to current requirements, not necessarily physical condition.

C ● No worn bearing is stated, and that would be an asset-condition issue.

D ● A specification mismatch can exist without wear or damage.

Repair: Distinguish technical utility shortfalls from physical deterioration.

Lessons 29. Source: S1 IVS 300 20.05 and 90.03; original scenario.

12. Q2-P5-012 ● Answer D

An external or economic limitation on the plant's future utility and operating period.

A ● Technical soundness does not remove the stated economic constraint.

B ● That invents a different cause of loss.

C ● Changing an age label does not analyse the feed constraint.

D ● Correct. The constraint arises from the supply environment rather than an identified mechanical defect.

Repair: Consider external resource limits when assessing economic utility.

Lessons 29. Source: S1 IVS 300 20.05(b); original scenario.

Section P5 Answers and Explanations

Items 13–15 • Version 1.0

13. Q2-P5-013 • Answer D

Whether a proposed additional energy-related deduction would duplicate a utility adjustment already reflected in the replacement premise.

A • Purchase price does not establish the value of an operating-cost difference.

B • Operating-cost differences can affect utility and demand.

C • That is not the incremental disadvantage or a matched remaining-period measure.

D • **Correct.** The same disadvantage should not be counted twice simply because it appears under two labels.

Repair: Check that functional-loss treatment is consistent with the chosen replacement asset.

Lessons 29. Source: S2 IVS 103 cost methods; S3 original double-counting scenario.

14. Q2-P5-014 • Answer A

Assess the effect of the work on relevant components and future utility without automatically resetting the entire asset to new.

A • **Correct.** Partial renewal can improve condition without renewing every component or removing other limitations.

B • Component replacement does not change the whole machine's identity.

C • The label does not establish complete renewal.

D • Maintenance can affect condition and remaining utility.

Repair: Evaluate what was renewed and what limitations remain after an overhaul.

Lessons 29. Source: S3 original partial-overhaul scenario; Lesson 29.

15. Q2-P5-015 • Answer C

Idleness is a current operating state and does not by itself establish zero value or permanent obsolescence.

A • A demand cycle does not itself establish mechanical failure.

B • That overstates what temporary shutdown establishes.

C • **Correct.** Investigate the relevant market, condition and expected use rather than converting a temporary state into a complete value loss.

D • A test does not establish value equal to current cost new.

Repair: Separate temporary idleness from supported deterioration or economic obsolescence.

Lessons 29. Source: S3 original seasonal-idleness scenario; Lesson 29.

Section P5 Answers and Explanations

Items 16–18 • Version 1.0

16. Q2-P5-016 • Answer A

At most the three remaining lease years, despite the longer machine service-life estimate.

A • Correct. The scenario's complementary premises right limits the stated in-place use; technical service life does not supply a further occupancy right.

B • Those periods are concurrent constraints, not sequential benefits.

C • Service life does not extend the stated legal occupancy period.

D • Three years of the stated right still remain.

Repair: Match economic-use forecasts to the availability of required complementary rights.

Lessons 29. Source: S1 IVS 300 20.05(a)(vii); original scenario.

17. Q2-P5-017 • Answer D

₱1,140,000.

A • That adds the explicitly excluded recoverable tax.

B • That omits the ₱150,000 installation cost.

C • That omits all included delivery and readiness costs.

D • Correct. Included cost = 900,000 + 50,000 + 150,000 + 40,000 = ₱1,140,000; exclude the separately recoverable amount under the stated premise.

Repair: Add the costs included in the defined installed package and respect the supplied tax treatment.

Lessons 29. Source: S3 original installed-cost calculation; Lesson 29.

18. Q2-P5-018 • Answer B

Reconcile the quote's inclusions and remove duplicated allowances for the same work.

A • The quote may be useful once its inclusions are understood.

B • Correct. An installed quote can already contain the listed components; the scope of each allowance matters.

C • That can increase the same duplication.

D • Duplicated costs do not become an asset loss.

Repair: Check vendor-quote inclusions before adding indirect costs.

Lessons 29. Source: S3 original vendor-package reconciliation; Lesson 29.

Section P5 Answers and Explanations

Items 19–21 • Version 1.0

19. Q2-P5-019 • Answer D

₱3.299 million.

A • That makes no capacity adjustment.

B • That assumes linear scaling with exponent 1 rather than the supplied exponent 0.6.

C • That reverses the capacity ratio before applying the exponent.

D • **Correct.** Capacity ratio = 200/400 = 0.5; its supplied 0.6-power factor is approximately 0.659753955. Cost = 5,000,000 × 0.659753955 = ₱3,298,769.78, rounded to ₱3,299,000.

Repair: Use the explicitly supplied capacity ratio and exponent rather than assuming linear cost.

Lessons 29. Source: S3 original stipulated capacity-scaling calculation; Lesson 29.

20. Q2-P5-020 • Answer D

₱4 million.

A • That reverses the index ratio for acquisition, then adds installation.

B • That applies the index ratio to both historical acquisition and the already-current installation amount.

C • That makes no index adjustment to the historical acquisition cost.

D • **Correct.** Restated acquisition = 3 × 180/150 = ₱3.6m; add current installation ₱0.4m to obtain ₱4m.

Repair: Restate only the components whose dates and price bases require the supplied index change.

Lessons 29. Source: S3 original dated-cost restatement; Lesson 29.

21. Q2-P5-021 • Answer C

₱6.12 million.

A • That omits the external retention factor.

B • That subtracts the three loss percentages additively from the original base.

C • **Correct.** Multiply the remaining proportions: 10 × 0.80 × 0.90 × 0.85 = ₱6.12m under the expressly stated sequence.

D • That multiplies the loss proportions instead of the retained proportions.

Repair: Keep retained and lost proportions distinct under a stipulated sequential model.

Lessons 29. Source: S3 original sequential equipment calculation; Lesson 29.

Section P5 Answers and Explanations

Items 22–24 • Version 1.0

22. Q2-P5-022 • Answer A

The stated repair is not economically justified by the stated value gain alone.

A • Correct. The incremental gain is less than the repair cost; other supported benefits would need separate consideration.

B • That replaces supported evidence with the desired result.

C • Technical feasibility does not establish economic benefit.

D • One uneconomic repair does not determine the whole machine's value.

Repair: Compare incremental supported benefit with cure cost rather than technical possibility alone.

Lessons 29. Source: S3 original equipment cure decision; Lesson 29.

23. Q2-P5-023 • Answer A

Whether the second deduction repeats a deficiency already removed from the modern-equivalent cost base.

A • Correct. The replacement premise can already exclude the obsolete assembly's cost; a separate loss needs a distinct basis.

B • A bookkeeping amount does not resolve the cost-base issue.

C • Obsolescence does not establish such demand or value.

D • That is not a justified universal rule.

Repair: Trace functional deductions against the exact replacement scope.

Lessons 29. Source: S2 IVS 103 cost methods; S3 original auxiliary-assembly scenario.

24. Q2-P5-024 • Answer B

₱100,000.

A • That reports the costs rather than the net proceeds.

B • Correct. Gross metal proceeds = 10 × 18,000 = ₱180,000; deduct ₱80,000 to obtain ₱100,000 net salvage.

C • That is gross proceeds before seller costs.

D • That adds the disposal and preparation costs.

Repair: Distinguish gross recoverable material proceeds from net salvage after defined seller costs.

Lessons 29. Source: S3 original net-salvage calculation; Lesson 29.

Section P5 Answers and Explanations

Items 25–27 • Version 1.0

25. Q2-P5-025 • Answer C

Investigate condition, included support, transaction status and sale terms before treating the prices as comparable.

A • A higher asking amount does not establish that the completed evidence is irrelevant.

B • An average does not reconcile the differing evidence.

C • **Correct.** An asking package and a completed as-is sale can differ in benefits and conditions beyond the model name.

D • The auction terms explicitly exclude it.

Repair: Compare actual transaction packages and conditions as well as machine specifications.

Lessons 29. Source: S1 IVS 300 section 70; original scenario.

26. Q2-P5-026 • Answer A

₱3.2 million.

A • **Correct.** Machinery allocation = 3.6 − 0.4 = ₱3.2m; the spare stock is separately allocated and excluded from this amount.

B • That deducts the spare-stock allocation twice.

C • That retains the separately allocated spare stock in the machinery amount.

D • That adds the stock instead of excluding it.

Repair: Use the supported allocation once when separating machinery from a bundled lot.

Lessons 29. Source: S3 original used-lot allocation; Lesson 29.

27. Q2-P5-027 • Answer D

Identify relevant transport, installation, readiness and condition differences between the quoted and subject packages.

A • Location and included work can change the package.

B • The relevant current readiness requirements need support.

C • Disconnection alone does not establish that impossibility.

D • **Correct.** A gate-price observation does not automatically cover delivery and usable installation at another location.

Repair: Reconcile removed and installed evidence on a consistent asset and cost premise.

Lessons 29. Source: S1 IVS 300 70.08; original scenario.

Section P5 Answers and Explanations

Items 28–30 • Version 1.0

28. Q2-P5-028 • Answer C

A supported cost approach with the equivalent-utility premise and losses explained.

A • Limited transaction evidence does not establish zero utility or value.

B • No support for that discount is supplied.

C • **Correct.** Poor sales evidence can make a supported cost approach relevant; the particular asset and available information still govern selection.

D • An accounting amount does not establish the required value basis.

Repair: Select an approach supported by the available asset-specific evidence.

Lessons 29. Source: S1 IVS 300 sections 70 and 90; original scenario.

29. Q2-P5-029 • Answer D

Whether the relevant machine or asset group has attributable cash flows, and how other contributory benefits are treated.

A • A depreciation charge is not an earnings allocation.

B • Size alone does not allocate the earnings.

C • Identifiable asset or group cash flows can support an income approach in suitable circumstances.

D • **Correct.** Whole-business earnings can include land, working capital, other equipment and intangibles outside the subject machine.

Repair: Define attributable income before using business earnings to value a machine.

Lessons 29. Source: S1 IVS 300 section 80; original scenario.

30. Q2-P5-030 • Answer D

₱520,661.

A • That discounts both receipts for two years, moving the first receipt one year later than stated.

B • That sums future savings without discounting.

C • That discounts both receipts for only one year.

D • **Correct.** Present savings = 300,000/1.10 + 300,000/1.21 = ₱520,661.16, rounded to ₱520,661. This is the supplied benefit, not automatically the machine's whole value.

Repair: Discount each incremental saving over its own supported period.

Lessons 29. Source: S5 OpenStax annuities; S3 original energy-savings schedule.

Section P5 Answers and Explanations

Items 31–33 • Version 1.0

31. Q2-P5-031 • Answer C

Scrap is higher by ₱50,000.

A • Their computed net amounts differ.

B • That compares its benefits before the required repair with net scrap proceeds.

C • **Correct.** Continued-use net amount = 450,000 − 300,000 = ₱150,000; scrap is ₱200,000, exceeding it by ₱50,000 under these supplied premises.

D • ₱150,000 is its own net amount, not an advantage over scrap.

Repair: Compare alternative uses on consistent net-present bases.

Lessons 29. Source: S3 original continued-use versus scrap calculation; Lesson 29.

32. Q2-P5-032 • Answer C

Investigate the sale's circumstances and explain its relevance and limitations for the instructed basis.

A • Price level alone does not determine relevance.

B • No such universal adjustment is supported.

C • **Correct.** A completed transaction remains evidence, but its sale conditions may differ materially from the valuation premise.

D • A label does not reconcile the sale conditions.

Repair: Match sale conditions to the instructed value basis before drawing conclusions.

Lessons 29. Source: S1 IVS 300 sections 50 and 70; original scenario.

33. Q2-P5-033 • Answer B

₱1.4 million.

A • That adds seller costs instead of deducting them.

B • **Correct.** Seller receipt = 1.8 − 0.15 − 0.25 = ₱1.4m. The buyer-paid transport is not deducted from the seller's stated receipt.

C • That omits both seller-paid costs.

D • That also deducts the buyer-paid transport.

Repair: Identify who bears each cost when moving from gross price to net proceeds.

Lessons 29. Source: S3 original seller-cost allocation; Lesson 29.

Section P5 Answers and Explanations

Items 34–36 • Version 1.0

34. Q2-P5-034 • Answer C

₱1.2 million.

A • That reports the individual-sale costs, not the overall advantage.

B • That compares operating value with gross rather than net individual proceeds.

C • **Correct.** Net individual proceeds = 5.5 − 0.7 = ₱4.8m; operating-line advantage = 6 − 4.8 = ₱1.2m.

D • That adds the alternative scenario amounts rather than comparing them.

Repair: Reconcile grouped and individual scenarios using consistent net amounts.

Lessons 29. Source: S3 original grouped-versus-individual calculation; Lesson 29.

35. Q2-P5-035 • Answer D

Zero book value does not by itself establish zero value under the instructed valuation basis.

A • Operation does not establish value equal to original cost.

B • Accounting value does not invalidate observed demand.

C • The stated continuing utility and demand contradict that inference.

D • **Correct.** Accounting allocation and a supported value opinion answer different questions; the market and asset evidence still matter.

Repair: Keep net book value distinct from the value basis and evidence of the assignment.

Lessons 29. Source: S3 original book-value distinction; Lesson 29.

36. Q2-P5-036 • Answer A

Develop and report the instructed cost estimate with the policy's defined inclusions and conditions, distinguishing it from the used-sale indication.

A • **Correct.** The provided insurance instruction defines the requested output; a different market observation is not automatically that amount.

B • That does not establish current replacement scope or cost.

C • Renaming the amount does not resolve its cost basis or coverage.

D • The stated policy instruction asks for a different measure.

Repair: Read the supplied insurance instruction before selecting the reported measure.

Lessons 29. Source: S3 original supplied insurance-basis scenario; Lesson 29.

Section P5 Answers and Explanations

Items 37–39 • Version 1.0

37. Q2-P5-037 ● Answer B

Whether the cleanup obligation belongs in that net-amount scope, and its supported cost and timing if included.

A ● Construction spending is not evidence of the cleanup obligation.

B ● Correct. The net amount must identify relevant seller costs and liabilities rather than silently omit or deduct an undefined obligation.

C ● Tangibility does not remove costs relevant to the specified net proceeds.

D ● The responsible party and transfer conditions have not been established.

Repair: Define closure obligations and cost responsibility before calculating net proceeds.

Lessons 29. Source: S1 IVS 300 50.07; S3 original closure-cost scenario.

38. Q2-P5-038 ● Answer C

₱2,619,616.

A ● That deducts four undiscounted annual energy costs from the retained amount.

B ● That omits the separately stipulated functional deduction.

C ● Correct. After physical loss: 4m × 0.75 = ₱3m. Excess-energy present cost = 120,000/1.10 + 120,000/1.21 + 120,000/1.331 + 120,000/1.4641 = ₱380,383.85. Remaining amount = ₱2,619,616.15.

D ● That deducts the energy amount from cost new but omits physical loss.

Repair: Use the defined nonoverlapping deduction and discount its remaining-period costs.

Lessons 29. Source: S5 OpenStax annuities; S3 original excess-energy model.

39. Q2-P5-039 ● Answer A

Assess its identity, scope, date and relevant findings, and identify the technical reliance without claiming the appraiser performed the test.

A ● Correct. A specialist record can inform the appraisal if its applicability is checked and the role is accurately described.

B ● A different asset's record does not establish this crane's tested condition.

C ● A valuation opinion does not provide that technical assurance.

D ● Reading a record is not performance of the technical test.

Repair: Use applicable technical evidence while keeping valuation and testing roles distinct.

Lessons 29. Source: S3 original specialist-test reliance; Lesson 29.

Section P5 Answers and Explanations

Item 40 • Version 1.0

40. Q2-P5-040 • Answer B

₱4 million.

A • That counts twelve units at the owned unit amount.

B • **Correct.** Included owned equipment = 10 × 400,000 = ₱4m; the two hired units do not belong in this expressly defined total.

C • That adds both hired units to the owned-equipment total.

D • That totals only the excluded hired units.

Repair: Reconcile the final asset total with the instructed ownership boundary.

Lessons 29. Source: S3 original equipment-schedule scope check; Lesson 29.

Apply the equipment checks

For an equipment schedule, select an asset and trace its identity, ownership, specification, condition and valuation premise. Reconcile the source evidence and every included cost or deduction before accepting the scheduled amount.

Asset and identifier _____
Instructed right and premise _____
Evidence and condition _____
Costs or deductions to check _____
Final inclusion and amount _____

Section P5 Score Record

Name _____ Date _____ Version 1.0
Section score ____ / 40 = ____%; elapsed time _____
First / repeated _____ Open / closed book _____

Set	Correct	Lessons	Repair priority
A	____ / 8	29	_____
B	____ / 8	29	_____
C	____ / 8	29	_____
D	____ / 8	29	_____
E	____ / 8	29	_____

Interpret the result

Each set contains eight items: set percentage = correct / 8 × 100. One answer changes that percentage by 12.5 points. Use the specific errors and confidence notes to locate the skill gap; these short-set percentages are not calibrated mastery measures.

Section completion

Identity rights and premise errors repaired _____
Condition capacity and life errors repaired _____
Cost and obsolescence errors repaired _____
Market income and disposal errors repaired _____
Scope and final schedule errors repaired _____

This complete volume contains all 400 topic-practice questions and two fresh 100-item mocks. Use the diagnostic records and lesson routes to repair errors, then attempt the mocks under recorded conditions.

Section P5 Error Repair Record

Use one entry for each error and each uncertain correct response. Preserve the original answer and any working while reconstructing the decision.

Item ID _____ Original answer ____ Correct answer ____

Asset identity right and premise _____

Decisive condition or evidence _____

Cost scope and party bearing the cost _____

Formula periods and deduction bases _____

Why the closest distractor fails _____

Relevant source or Lesson 29 topic _____

Corrected calculation or reasoning _____

Fresh changed-facts retest _____

Outcome and next review date _____

Before Section 6

Be able to identify what is being valued, explain its operating or disposal premise and reconcile the evidence and cost package. The cases and specialized valuation section combines these disciplines with other asset-specific appraisal situations.

For an editorial correction, update the exact item version, choices, key and explanation together. Preserve the reason for any change and keep unrounded numerical working available for review.

Section P5 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify conceptual background; the questions supply newly authored scenarios. Apply the stated source edition and actual assignment conditions together.

S1 ● IVSC IVS 300 Plant Equipment and Infrastructure

International Valuation Standards, effective 31 January 2025. Selected references concern complementary assets, use and removal premises, condition, market evidence, attributable cash flows and costs included in net proceeds. IVSC-authored text hosted by SAICA. The questions apply concepts through original scenarios rather than reproduce the standard.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S2 ● IVSC IVS 103 Valuation Approaches

Same identified IVS edition. Cost-method background supports replacement utility and avoiding overlapping loss allowances. Sequential retention factors in this section are expressly stipulated calculations, not prescribed universal depreciation models.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S3 ● REALEX original equipment scenarios

Primary route: Lesson 29. All 40 question records are original. Twelve numerical items use fictional quotes, indices, costs, capacities, sale terms and cash flows. Model factors and assumptions are supplied; numerical answers do not establish technical certification or actual statutory tax treatment.

Course route: REALEX Lesson 29

Section P5 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify conceptual background; the questions supply newly authored scenarios. Apply the stated source edition and actual assignment conditions together.

S4 • PRC July 2026 examination program

Page 1 includes appraisal of machinery and equipment within Professional Appraisal Practice, a subject carrying 50% of the examination. The 40-item topic allocation is editorial. The applicable 2027 program and detailed TOS remain to be verified.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

S5 • OpenStax Annuities

Principles of Finance 2e section 8.2 supplies background on present values of dated periodic amounts. The two-year savings and four-year excess-energy schedules are newly authored. Incremental benefits and costs are distinguished from whole-asset value.

https://openstax.org/books/principles-finance-2e/pages/8-2-annuities

Source and premise discipline

Read the identified standard edition with the actual assignment scope. Equipment rights, recoverable tax treatment, insurance coverage and closure obligations depend on their governing instruments and facts. The fictional inputs here do not independently determine those matters in practice.

The originality check covers the 848 previously completed questions in this series. No purchased question-bank item or recalled licensure examination question is used as a template. The check is not an exhaustive comparison with every question published elsewhere.

Section 6 Cases and Specialized Valuation

QUESTIONNAIRE 2 • Professional Appraisal Practice

40 original four-option questions
Q2-P6-001 to Q2-P6-040 • Content version 1.0
2027 Preparation Edition • Prepared 13 October 2026

This section applies Lessons 27–28, 30 and 36 to case analysis across development property, trading assets, specialised facilities and partial rights. The task is to identify what is being valued, select a defensible premise and reconcile the evidence, calculation and conclusion. Each case supplies the facts that control its answer.

Instructions

Select one best answer A–D under the stated facts. Attempt all 40 questions or one eight-item set at a time. Keep the key and explanations closed until review. Record elapsed time and whether this is a first or repeated, open- or closed-book attempt. No official PRC time allowance is assigned to this topic section.

Case and calculation conventions

All cases, amounts, probabilities, rights and operating terms are fictional supplied premises. Where an instrument or permission is described, analyse the stated condition without inventing additional rights. The cases do not determine an actual legal entitlement, regulatory permission or property title.

Carry intermediate precision and round only as specified. Amounts marked m are millions. Time zero means now; stated year-end flows are discounted for their own periods. Keep property income, business receipts and other asset benefits distinct. A scenario result is not automatically an unconditional value opinion.

Book pages	Contents
219	Coverage and lesson routes
220	Answer sheet for all 40 items
221–230	40 questions four per page
231	Compact answer key
232–245	Answers and per-option explanations
246–247	Score and error repair records
248–249	Selected sources and currency notes

The 2026 PRC program includes case studies and specialized valuation within Professional Appraisal Practice. The 40-item allocation and five sets are editorial. The applicable 2027 program and detailed TOS remain to be verified. These are original practice questions, not actual or recalled PRC questions. [S4]

Section P6 Coverage and Lesson Routes

Set	Items	Competency	Lessons
A	1–8	Development and redevelopment cases	27, 36
B	9–16	Trading properties and operating-asset boundaries	30
C	17–24	Specialized facilities and constrained uses	30
D	25–32	Partial rights and limited-term interests	30
E	33–40	Integrated case analysis and reconciliation	28, 36

Study routes

27 • Development residuals, completion costs, phasing and dated cash flows.
28 • Consistent premises, evidential support, uncertainty and reconciliation.
30 • Trading and specialised properties, partial interests and restricted rights.
36 • Integrated case review and conclusions consistent with the analysis.

Start with the subject and premise

Identify the actual interest, asset package, use and date before choosing a method. Distinguish current conditions from an assumed conversion or completion. Check whether forecast benefits depend on an agreement, approval, complementary asset or limited-term right.

Checks before concluding

Reconcile business and property benefits. Include remaining costs and transition effects without repeating sunk spending or an already-modelled deduction. Compare alternatives on consistent net bases. Keep the result conditional where the case facts do not support an unconditional opinion.

All 40 stems have been checked against the 888 earlier questions in the series. Twelve numerical cases have been independently recomputed. Difficulty labels are editorial intentions and have not been statistically calibrated.

Section P6 Answer Sheet

Items 1–40 • Version 1.0

Name _____ Date _____
Attempt no. _____ First / repeated _____
Open / closed book _____ Started _____ Finished _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	11	A B C D	21	A B C D	31	A B C D
2	A B C D	12	A B C D	22	A B C D	32	A B C D
3	A B C D	13	A B C D	23	A B C D	33	A B C D
4	A B C D	14	A B C D	24	A B C D	34	A B C D
5	A B C D	15	A B C D	25	A B C D	35	A B C D
6	A B C D	16	A B C D	26	A B C D	36	A B C D
7	A B C D	17	A B C D	27	A B C D	37	A B C D
8	A B C D	18	A B C D	28	A B C D	38	A B C D
9	A B C D	19	A B C D	29	A B C D	39	A B C D
10	A B C D	20	A B C D	30	A B C D	40	A B C D

After the attempt

Correct ____ / 40; blank ____; wrong ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson or case-analysis skill _____

Mark one response per item. This book awards one point for a correct answer and zero for wrong, blank or multiple responses; that is an editorial practice convention. Preserve initial responses before checking the key.

Set A Development and redevelopment cases

Items 1–4 • Select one best answer.

1. Q2-P6-001 • Set A

A partly built commercial project has incurred 60% of its original budget. The client proposes valuing the current property at 60% of its forecast completed value. What case analysis is needed instead?

A. Use the 60% ratio because cost progress and value progress are identical.

B. Add all expenditure incurred to the full completed value.

C. Assess the current interest using supported completion benefits, remaining work, timing, risk and the relevant market evidence.

D. Use the original land invoice as the whole property's current value.

2. Q2-P6-002 • Set A

A supplied unfinished-project model has completed receipts ₱60m, selling costs 5% of receipts, remaining completion costs ₱30m and a separate risk/profit allowance ₱6m. All amounts are treated at the current date. Historic sunk expenditure is ₱12m. What residual for the current property follows?

A. ₱21 million.

B. ₱24 million.

C. ₱27 million.

D. ₱9 million.

3. Q2-P6-003 • Set A

A lender's development appraisal assumes the existing fixed-price building contract remains available to a purchaser after borrower default. Transfer and termination provisions have not been checked. What case issue is material?

A. Whether a purchaser can actually obtain the contract benefits and what terms or costs apply if it cannot.

B. Contract terms are irrelevant because the partly built structure is tangible.

C. The signed contract price automatically binds every future purchaser.

D. All fixed-price contracts necessarily become worthless on default.

4. Q2-P6-004 • Set A

A base residual includes a sole net receipt of ₱24.2m at year 2. A delay moves it to year 3 and creates an extra ₱1.1m cost at year 1. All other flows are unchanged. At 10% annually, by how much does the current residual decrease, to the nearest peso?

A. ₱2,918,182.

B. ₱1,000,000.

C. ₱1,818,182.

D. ₱2,818,182.

Set A Development and redevelopment cases

Items 5–8 • Select one best answer.

5. Q2-P6-005 • Set A

A proposed residential conversion is financially attractive, but the supplied planning record permits only the existing commercial use. The client wants the conversion scenario included. What conclusion treatment is strongest?

A. Assume a positive residual grants approval.

B. Distinguish the existing permitted-use analysis from an explicitly conditioned conversion scenario, without treating that scenario as proof of permission.

C. Use the conversion value as unconditional current value because it is higher.

D. Omit all existing-use evidence because the developer prefers conversion.

6. Q2-P6-006 • Set A

An obsolete property can be sold as-is for net ₱9m now. A supplied repair scenario yields present benefits of ₱11m but requires ₱4m of immediate conversion work. No other flows or benefits apply. Which alternative has the higher net amount, and by how much?

A. The as-is sale is higher by ₱2 million.

B. The alternatives are equal because both concern the same property.

C. The repair scenario is higher by ₱7 million.

D. The repair scenario is higher by ₱2 million.

7. Q2-P6-007 • Set A

A site investigation identifies abnormal drainage work outside the contractor's base scope. The residual model includes both a separately priced drainage allowance and a contingency described as covering the same work in full. What should the case reviewer resolve?

A. Whether the allowances overlap and what distinct uncertainty, if any, remains after the separately priced work.

B. Delete all contingency because one additional cost was priced.

C. Keep both allowances solely because a conservative model must duplicate known costs.

D. Remove the priced drainage cost because it was not in the original budget.

8. Q2-P6-008 • Set A

A phased housing project will release units over four years. The model places all sale proceeds at the first phase's completion because every unit has the same assumed price. What forecasting issue needs correction?

A. Multiply first-phase proceeds by four and retain the early receipt date.

B. Use the latest phase date for every cost and receipt without checking the schedule.

C. Ignore timing because phased projects have a single land title.

D. Reflect the supported release and absorption timing of each phase and its associated costs.

Set B Trading properties and operating-asset boundaries

Items 9–12 • Select one best answer.

9. Q2-P6-009 • Set B

A fictional hotel allocation supports annual property-attributable income at 75% of a ₱3m operating cash flow. Other asset benefits are excluded from that portion. A compatible property capitalization rate is 9%. What property indication does this supplied model give?

A. ₱18.75 million.

B. ₱33.333 million.

C. ₱25 million.

D. ₱2.25 million.

10. Q2-P6-010 • Set B

A hotel transaction includes land, buildings, furnishings, a brand agreement and working capital. The assignment values only the real-property interest. Which transaction analysis fits that scope?

A. Use the package price as land-and-building value because guests occupy the building.

B. Deduct the entire hotel's historical advertising expenditure as goodwill.

C. Investigate and reconcile the consideration attributable to the instructed property interest rather than treating the whole operating package as property value.

D. Add the furniture price to the full package price to identify real property.

11. Q2-P6-011 • Set B

A 30-room lodging business has a supplied average daily room rate of ₱2,000, 50% annual occupancy and a 365-day year. Ignoring other income and losses, what annual room revenue follows?

A. ₱21.9 million.

B. ₱900,000.

C. ₱10.95 million.

D. ₱5.475 million.

12. Q2-P6-012 • Set B

A beachfront resort's receipts include accommodation, boat excursions operated by the owner and a branded retail concession. The appraiser proposes using every receipt as landlord rental income. What boundary issue needs examination?

A. Treat all receipts as rent because customers entered through the resort gate.

B. Exclude all property income because the business has several activities.

C. Separate the property's relevant income from operating activities and other assets' benefits under the assignment.

D. Divide every receipt by land area and call the result market rent.

Set B Trading properties and operating-asset boundaries

Items 13–16 • Select one best answer.

13. Q2-P6-013 • Set B

A supplied marina ground lease requires annual rent equal to the higher of ₱400,000 or 8% of berth-business revenue. Annual business revenue is ₱6m. What landlord rent is due under these stated terms?

A. ₱6,000,000.

B. ₱400,000.

C. ₱880,000.

D. ₱480,000.

14. Q2-P6-014 • Set B

A hospital's enterprise valuation includes medical equipment, working capital, operating permissions and its premises. A separate property appraisal is to cover only land and buildings. Which comparison is appropriate?

A. Add the enterprise value and the property indication because both concern the hospital.

B. Reconcile the different asset packages and value premises before drawing conclusions from the enterprise amount.

C. Treat the enterprise amount as property value because the hospital needs premises.

D. Subtract only the latest month's payroll to convert enterprise value into land value.

15. Q2-P6-015 • Set B

A fuel station's operating performance is strong, but a specialist identifies a material site-remediation issue. The proposed property indication uses unaffected trading evidence without addressing that issue. What review priority follows?

A. Assume strong profits prove the site needs no remediation.

B. Ignore the issue because fuel-station property is valued only by sales volume.

C. Deduct the full business turnover as remediation cost.

D. Assess the relevant remediation premise, responsibility and market effect in the property analysis.

16. Q2-P6-016 • Set B

A hotel cash-flow forecast assumes that a favourable franchise agreement continues unchanged after a sale. The supplied agreement requires franchisor consent to assignment. What should be investigated?

A. Remove all hotel income because a consent clause exists.

B. Whether the assumed buyer can obtain the franchise benefits and what conditions apply to their continuation.

C. Use the owner's franchise fee as a guaranteed property premium.

D. Assume the agreement transfers because the building transfers.

Set C Specialized facilities and constrained uses

Items 17–20 • Select one best answer.

17. Q2-P6-017 • Set C

A school building has an unusual layout and limited direct sales evidence. A suggested residential comparison ignores the school's required accommodation and use restrictions. Which case approach is strongest?

A. Use the residential rate because every building has floor area.

B. Assume a school must have no value because it is not a house.

C. Assess the required utility, actual use constraints and evidence supporting an appropriate method rather than importing an incompatible residential benchmark.

D. Value the school at original construction cost without checking current utility.

18. Q2-P6-018 • Set C

A heritage-property exercise requires equivalent protected architectural features. A validated replication estimate is ₱13m; a generic ₱8m modern building omits those required features. The stipulated loss is 20% of the appropriate building cost, and land is ₱1.5m. What indication follows?

A. ₱7.9 million.

B. ₱14.5 million.

C. ₱10.4 million.

D. ₱11.9 million.

19. Q2-P6-019 • Set C

A public sports arena cost substantially more than ordinary commercial buildings, but its current market demand and alternative uses are limited. What inference about its historical cost is most defensible?

A. Public ownership proves that economic obsolescence is impossible.

B. The expenditure alone does not establish present value; investigate the arena's supported utility and relevant economic constraints.

C. Every peso of incurred cost must appear in current market value.

D. A high construction budget establishes a perpetual income stream.

20. Q2-P6-020 • Set C

A fictional public-facility comparison gives present benefits of ₱14m at the current site. Relocation gives present benefits of ₱18m but requires ₱3m conversion work and ₱1.4m migration costs now. No other differences apply. Which scenario has the higher net amount?

A. The current-site scenario is higher by ₱0.4 million.

B. Relocation is higher by ₱4 million.

C. Relocation is higher by ₱1 million.

D. The current-site scenario is higher by ₱4.4 million.

Set C Specialized facilities and constrained uses

Items 21–24 • Select one best answer.

21. Q2-P6-021 • Set C

A recorded restriction requires a heritage building's facade to be retained. A redevelopment model assumes complete demolition without treating that restriction. What case repair is needed?

A. Set the whole site's value to zero merely because the facade must remain.

B. Value the facade separately and assume that resolves permission for demolition.

C. Ignore the restriction because a demolition contractor supplied a price.

D. Reconcile the proposed design and costs with the supplied restriction, or clearly identify any separate scenario assuming its removal.

22. Q2-P6-022 • Set C

A cemetery forecast counts every existing plot as available for new sale, including plots subject to previously granted burial rights. It also omits required future maintenance under the supplied operating terms. What should be corrected?

A. Exclude all unsold plots because the property is specialised.

B. Identify the remaining saleable rights and relevant continuing obligations before forecasting benefits.

C. Replace the maintenance costs with the owner's preferred profit figure.

D. Count the granted plots again because the land remains physically present.

23. Q2-P6-023 • Set C

An island-interest assignment has incomplete tenure documents and conflicting descriptions of what the seller can transfer. The draft assumes unrestricted ownership of the whole island. What should the appraisal resolve?

A. Define and investigate the instructed transferable interest and identify any supported assumptions or unresolved limitations.

B. Use the whole-island description to replace the missing tenure enquiry.

C. Value all surrounding waters as part of the seller's property without evidence.

D. Treat physical access to the beach as proof of unrestricted ownership.

24. Q2-P6-024 • Set C

An orchard assignment expressly values land only and excludes crop stock and the operating business. The source sale includes harvested produce and a distribution business. Which case treatment matches the instruction?

A. Investigate the consideration attributable to the land interest and separate the excluded crop stock and business benefits.

B. Add expected produce revenue to the unallocated sale price.

C. Treat the whole sale amount as land value because produce originates on land.

D. Remove all land evidence because the property grows fruit.

Set D Partial rights and limited-term interests

Items 25–28 • Select one best answer.

25. Q2-P6-025 • Set D

A supplied transferable-lease exercise has annual market rent ₱1.2m and contract rent ₱0.9m for three remaining year-end periods. It values only the discounted rent advantage and deducts a ₱100,000 transfer cost now. No terminal benefit exists. At 10%, what net amount follows to the nearest peso?

A. ₱2,138,167.

B. ₱800,000.

C. ₱646,056.

D. ₱746,056.

26. Q2-P6-026 • Set D

A supplied instrument limits a personal use right to the current holder's lifetime and grants no inheritable continuation. The model assumes a perpetual transferable freehold. What is the central mismatch?

A. The right must have zero value solely because it is not inheritable.

B. The assumed duration and transferability do not match the stated personal right.

C. The holder's current occupation converts the right into unrestricted ownership.

D. A life-limited right has exactly thirty remaining years without supporting evidence.

27. Q2-P6-027 • Set D

A two-year use concession has net receipts of ₱220,000 at year 1 and ₱242,000 at year 2. It requires an initial ₱80,000 payment and ends with no residual right. At 10% annually, what net present amount follows?

A. ₱480,000.

B. ₱382,000.

C. ₱400,000.

D. ₱320,000.

28. Q2-P6-028 • Set D

An assignment values an undivided 50% interest subject to specified co-owner arrangements. The analyst takes half the whole-property indication and declares no further enquiry is needed. What should be investigated?

A. A universal 25% discount for every half interest.

B. The rights, transfer conditions, control and marketability of the particular undivided interest.

C. The value of the other co-owner's unrelated property.

D. The original construction contractor's profit margin alone.

Set D Partial rights and limited-term interests

Items 29–32 • Select one best answer.

29. Q2-P6-029 • Set D

A supplied agreement grants nonexclusive vehicle access across a neighbouring parcel. The appraisal is to value that access benefit, but the model includes the neighbour's entire land ownership. What subject correction is needed?

A. Assume the right has no benefit because it is nonexclusive.

B. Value the whole neighbour's business because vehicles serve it.

C. Analyse the specified access right and its benefits under the agreement rather than treating it as ownership of the servient land.

D. Keep the full land value because access crosses the parcel.

30. Q2-P6-030 • Set D

A tenant paid for specialised improvements, but its supplied lease ends in two years with no renewal, removal right or compensation. A forecast includes a sale of those improvements after five years. What needs correction?

A. Limit the forecast to benefits available under the stated lease and remove the unsupported later sale benefit.

B. Extend the lease automatically to recover the tenant's improvement cost.

C. Use the landlord's freehold terminal value as the tenant's sale receipt.

D. Add the original improvement cost as guaranteed compensation.

31. Q2-P6-031 • Set D

A donor's supplied deed restricts a facility to a stated institutional use and provides a defined consequence on incompatible use. The draft assumes immediate unrestricted retail conversion. What should be addressed?

A. Ignore the deed because retail demand is stronger.

B. The effect of the supplied restriction and consequence on the interest, use premise and feasible alternatives.

C. Value unrestricted ownership and call the restriction an accounting depreciation item.

D. Treat every institutional property as permanently valueless.

32. Q2-P6-032 • Set D

An instruction asks for the market effect of an access-strip loss on the retained property. It does not ask the appraiser to decide legal compensation entitlement. Which case output fits that task?

A. Determine every statutory compensation item without identifying the governing law or instruction.

B. Analyse the specified effect on the retained interest and keep any legal entitlement determination separate.

C. Add the owner's preferred damages figure without market analysis.

D. Value only the strip and assume the retained property's access is unchanged.

Set E Integrated case analysis and reconciliation

Items 33–36 • Select one best answer.

33. Q2-P6-033 • Set E

A case review compares a leased-owner indication with an unencumbered-property indication and treats their difference as proof that one method failed. What should be resolved first?

A. Select the larger amount because it uses fewer words to describe the interest.

B. Average the indications immediately to remove the disagreement.

C. Discard the leased-owner result because leases always reduce value to zero.

D. Whether both indications value the same rights and premises before comparing their methods.

34. Q2-P6-034 • Set E

A leisure-asset package has a supported total allocation target of ₱55m. Identified property is ₱35m, equipment ₱8m and other tangible assets ₱2m. What amount remains unallocated for further identification?

A. ₱18 million.

B. ₱20 million.

C. ₱45 million.

D. ₱10 million.

35. Q2-P6-035 • Set E

A specialist's cost estimate concerns the original scheme, but the valuation case now assumes a different permitted design and a later completion date. What estimate review is necessary?

A. Check whether the technical scope, quantities, price date and timing still support the revised scenario.

B. Change only the estimate's file date and call it updated.

C. Replace the estimate with the owner's target sale price.

D. Keep the estimate because the specialist's qualifications have not changed.

36. Q2-P6-036 • Set E

A contaminated-site DCF deducts a fully specified remediation payment. The reconciliation then deducts the same payment again as a separate condition allowance, with no additional effect established. What should be corrected?

A. Remove or justify the overlapping allowance so the same specified effect is not counted twice.

B. Remove the payment from the DCF and omit all condition discussion.

C. Add the remediation cost to value to compensate for the duplication.

D. Retain both deductions because all uncertainty requires double counting.

Set E Integrated case analysis and reconciliation

Items 37–40 • Select one best answer.

37. Q2-P6-037 • Set E

A newly converted specialist facility is forecast to have negative cash flow during commissioning and supported later operating benefits. A draft capitalizes the first year's negative amount as a perpetual stabilized result. What method issue needs attention?

A. Treat every future year's cash flow as equal to the first commissioning year.

B. Ignore the commissioning losses because later benefits are positive.

C. Set value equal to construction cost solely because initial cash flow is negative.

D. Represent the transition period, later supported benefits and terminal premise in a suitable model rather than treating the commissioning year as perpetual stabilization.

38. Q2-P6-038 • Set E

A stipulated two-scenario case gives present benefits of ₱20m with probability 60% and ₱12m with probability 40%. An additional ₱2m cost is payable now in either scenario and is not included in those benefits. What probability-weighted net result follows?

A. ₱18.8 million.

B. ₱14 million.

C. ₱14.8 million.

D. ₱16.8 million.

39. Q2-P6-039 • Set E

A complex case has materially unresolved tenure and site-condition information. Its scenario calculations are complete, but the draft calls the result an unconditional verified value. What conclusion review is needed?

A. Describe the value as verified because the spreadsheet contains no formula errors.

B. Assess whether the evidence supports the instructed opinion and accurately state the assumptions, unresolved limitations and scenario status.

C. Use the highest scenario as unconditional value to cover every uncertainty.

D. Remove every source note so the unresolved information is less visible.

40. Q2-P6-040 • Set E

A final integrated appraisal includes property, operating-asset and assumed-completion scenarios. The summary combines their amounts into one total without identifying overlap or explaining the intended conclusion. What is the strongest final review action?

A. Use only the largest scenario and erase the assignment description.

B. Label the sum a portfolio premium without supporting analysis.

C. Reconcile the subject and scenario boundaries, remove unsupported aggregation and explain the conclusion relevant to the assignment.

D. Retain the sum because every component amount was separately calculated.

Section P6 Compact Answer Key

Items 1–40 • Version 1.0. Review after finishing.

Item	Key	Item	Key	Item	Key	Item	Key
1	C	11	C	21	D	31	B
2	A	12	C	22	B	32	B
3	A	13	D	23	A	33	D
4	D	14	B	24	A	34	D
5	B	15	D	25	C	35	A
6	A	16	B	26	B	36	A
7	A	17	C	27	D	37	D
8	D	18	D	28	B	38	C
9	C	19	B	29	C	39	B
10	C	20	A	30	A	40	C

Check the reasoning

Section percentage = correct / 40 × 100. Review uncertain correct responses with errors. Identify the subject, governing premise, evidence and calculation or valuation issue before reading the explanation.

A section score describes performance on these questions under the recorded conditions. It does not establish an actual property value, legal entitlement, examination passing result or ranking.

Section P6 Answers and Explanations

Items 1–3 • Version 1.0

1. Q2-P6-001 • Answer C

Assess the current interest using supported completion benefits, remaining work, timing, risk and the relevant market evidence.

A • The stated ratio does not establish an identical value proportion.

B • That combines an unfinished asset's spending with a completed-property result without reconciling scope.

C • **Correct.** Budget progress is not a proportional measure of current value; completion requirements and market conditions can change the relationship.

D • That ignores the present development condition and current evidence.

Repair: Value the current development condition rather than applying an untested budget-progress ratio.

Lessons 27, 36. Source: S1 IVS 410; original scenario.

2. Q2-P6-002 • Answer A

₱21 million.

A • **Correct.** Net completed receipts = 60 × 0.95 = ₱57m; current-property residual = 57 − 30 − 6 = ₱21m. The stated sunk expenditure is not another remaining outflow.

B • That omits the selling costs.

C • That omits the separate risk/profit allowance.

D • That deducts the ₱12m sunk expenditure again as if it were still payable.

Repair: Separate sunk spending from the remaining costs of realising the stated completion benefits.

Lessons 27, 36. Source: S3 original unfinished-project residual; Lessons 27 and 36.

3. Q2-P6-003 • Answer A

Whether a purchaser can actually obtain the contract benefits and what terms or costs apply if it cannot.

A • **Correct.** A forecast based on the borrower's contract may not describe a purchaser's available completion package.

B • They can affect remaining costs and risk of completion.

C • The supplied facts do not establish that transferability.

D • That is an unsupported universal conclusion.

Repair: Investigate the availability of contract benefits under the instructed transaction scenario.

Lessons 27, 36. Source: S1 IVS 410 50.02; original scenario.

Section P6 Answers and Explanations

Items 4–6 • Version 1.0

4. Q2-P6-004 • Answer D

₱2,818,182.

A • That deducts the extra year-1 cost without discounting it.

B • That captures only the extra cost and omits the delay effect.

C • That captures only the delayed receipt and omits the extra cost.

D • **Correct.** Base receipt PV = 24.2/1.21 = ₱20m. Delayed receipt PV = 24.2/1.331 = ₱18.181818m; extra cost PV = 1.1/1.10 = ₱1m. Reduction = 20 − 18.181818 + 1 = ₱2.818182m.

Repair: Measure both delayed benefits and additional dated costs when analysing a development delay.

Lessons 27, 36. Source: S5 OpenStax annuities; S3 original delay schedule.

5. Q2-P6-005 • Answer B

Distinguish the existing permitted-use analysis from an explicitly conditioned conversion scenario, without treating that scenario as proof of permission.

A • A calculation is not the authority's approval decision.

B • **Correct.** The proposed economic result does not change the supplied permission status or establish a presently available use.

C • That treats an unestablished permission as an existing fact.

D • Preference does not remove the actual permitted-use premise.

Repair: Keep financial scenarios separate from the actual permission conditions supplied.

Lessons 27, 36. Source: S3 original conversion-case exercise; Lessons 27 and 36.

6. Q2-P6-006 • Answer A

The as-is sale is higher by ₱2 million.

A • **Correct.** Repair-scenario net = 11 − 4 = ₱7m; the net as-is sale of ₱9m exceeds it by ₱2m under the stipulated comparison.

B • The supplied net benefits differ.

C • ₱7m is its own net amount, not its advantage over the as-is alternative.

D • That compares repair benefits before their required work with the as-is amount.

Repair: Compare alternative property-use scenarios after their own required costs.

Lessons 27, 36. Source: S3 original conversion-versus-sale calculation; Lessons 27 and 36.

Section P6 Answers and Explanations

Items 7–9 • Version 1.0

7. Q2-P6-007 • Answer A

Whether the allowances overlap and what distinct uncertainty, if any, remains after the separately priced work.

A • Correct. The same known work should not be counted twice, while a separate supported risk allowance may still be relevant.

B • Pricing one issue does not eliminate every remaining uncertainty.

C • Duplicating the same work is not a supported risk treatment.

D • A necessary current completion cost is not excluded merely by an old budget's omission.

Repair: Separate known additional work from a distinct allowance for residual uncertainty.

Lessons 27, 36. Source: S3 original abnormal-cost overlap case; Lessons 27 and 36.

8. Q2-P6-008 • Answer D

Reflect the supported release and absorption timing of each phase and its associated costs.

A • That enlarges the amount without correcting its timing.

B • That creates a different unsupported timing assumption.

C • Title count does not determine when cash flows occur.

D • Correct. Equal unit prices do not make future transactions occur at one common early date.

Repair: Match the development's cash-flow schedule to supported phasing and absorption.

Lessons 27, 36. Source: S1 IVS 410 residual method; original scenario.

9. Q2-P6-009 • Answer C

₱25 million.

A • That applies the allocation twice.

B • That capitalizes the whole operating cash flow without the supplied allocation.

C • Correct. Property income = 3 × 0.75 = ₱2.25m; capitalize at 0.09: 2.25/0.09 = ₱25m. The 75% allocation is a supplied premise, not a universal hotel rule.

D • That is the annual property-attributable income, not its capitalized indication.

Repair: Use the supported property-attributable portion with a compatible income-rate definition.

Lessons 30. Source: S3 original hotel allocation calculation; Lesson 30.

Section P6 Answers and Explanations

Items 10–12 • Version 1.0

10. Q2-P6-010 ● Answer C

Investigate and reconcile the consideration attributable to the instructed property interest rather than treating the whole operating package as property value.

A ● Occupation does not allocate brand, furnishings and working capital.

B ● Historical spending is not a supported allocation of transaction consideration.

C ● Correct. The sale covers benefits beyond the subject real property; the asset boundary matters before using its price.

D ● That increases the inclusion of non-property assets.

Repair: Identify the asset package sold before using a trading-property transaction.

Lessons 30. Source: S2 IVS 400 income approach; original scenario.

11. Q2-P6-011 ● Answer C

₱10.95 million.

A ● That assumes 100% occupancy.

B ● That substitutes a 30-day period for the stated annual year.

C ● Correct. Available room-nights = 30 × 365 = 10,950; occupied room-nights = 5,475; room revenue = 5,475 × 2,000 = ₱10,950,000. This is revenue, not a property-value conclusion.

D ● That applies the 50% occupancy factor twice.

Repair: Match room count, daily rate, occupied nights and annual period.

Lessons 30. Source: S3 original lodging-revenue calculation; Lesson 30.

12. Q2-P6-012 ● Answer C

Separate the property's relevant income from operating activities and other assets' benefits under the assignment.

A ● Shared location does not make every business receipt landlord rent.

B ● Mixed receipts require analysis rather than automatic rejection of the property income.

C ● Correct. Business receipts can arise from services and rights beyond the real-property interest.

D ● An area denominator does not establish the economic nature of the receipts.

Repair: Identify the source and asset attribution of each income component.

Lessons 30. Source: S3 original resort-income boundary case; Lesson 30.

Section P6 Answers and Explanations

Items 13–15 • Version 1.0

13. Q2-P6-013 • Answer D

₱480,000.

A • That treats all berth-business revenue as landlord rent.

B • That retains the minimum despite a higher percentage amount.

C • That adds the minimum and percentage rent rather than selecting the higher.

D • **Correct.** Percentage rent = 6,000,000 × 0.08 = ₱480,000, exceeding the ₱400,000 minimum; use the higher amount.

Repair: Apply the stated minimum-versus-percentage mechanism without adding alternative rent bases.

Lessons 30. Source: S3 original marina-lease calculation; Lesson 30.

14. Q2-P6-014 • Answer B

Reconcile the different asset packages and value premises before drawing conclusions from the enterprise amount.

A • That may count the same property benefits twice.

B • **Correct.** A hospital business and its real-property interest are not the same subject, even when they operate together.

C • Dependence on premises does not allocate all enterprise benefits to them.

D • Payroll is not a supported asset-package allocation.

Repair: Keep enterprise and property valuation subjects distinct in a specialized operating case.

Lessons 30. Source: S3 original hospital asset-boundary case; Lesson 30.

15. Q2-P6-015 • Answer D

Assess the relevant remediation premise, responsibility and market effect in the property analysis.

A • Business profitability does not establish physical condition.

B • That is an unsupported restriction on relevant property evidence.

C • Revenue is not evidence of the remediation amount.

D • **Correct.** Strong trading performance does not by itself eliminate a material site condition or its effect under the assignment.

Repair: Integrate material site conditions with the trading-property valuation premise.

Lessons 30. Source: S3 original fuel-station condition case; Lesson 30.

Section P6 Answers and Explanations

Items 16–18 • Version 1.0

16. Q2-P6-016 • Answer B

Whether the assumed buyer can obtain the franchise benefits and what conditions apply to their continuation.

A • The clause calls for investigation rather than proof that all benefits cease.

B • **Correct.** The operating forecast relies on rights whose continuity is not automatic under the stated consent requirement.

C • A fee does not establish the transferable benefit or its value.

D • Property transfer does not itself satisfy the stated franchise condition.

Repair: Test continuity of operating agreements that materially drive forecast benefits.

Lessons 30. Source: S3 original franchise-continuity case; Lesson 30.

17. Q2-P6-017 • Answer C

Assess the required utility, actual use constraints and evidence supporting an appropriate method rather than importing an incompatible residential benchmark.

A • Area alone does not reconcile utility and use constraints.

B • Specialized use does not establish zero utility or value.

C • **Correct.** Limited sales evidence does not make unrelated residential utility a suitable proxy for the instructed school interest.

D • Historical spending does not establish the current value premise.

Repair: Match a specialized facility's utility and constraints to its valuation evidence.

Lessons 30. Source: S6 IVS 103 cost-method background; S3 original school case.

18. Q2-P6-018 • Answer D

₱11.9 million.

A • That uses the ₱8m generic building which omits the required equivalent features.

B • That adds land to cost new and omits the stipulated building loss.

C • That is the retained building amount without land.

D • **Correct.** The supplied heritage requirement makes the ₱13m feature-equivalent estimate relevant. Retained building = 13 × 0.80 = ₱10.4m; add land ₱1.5m to obtain ₱11.9m.

Repair: Use a replacement or replication premise that meets the stated required utility and features.

Lessons 30. Source: S3 original heritage-cost scenario; Lesson 30.

Section P6 Answers and Explanations

Items 19–21 • Version 1.0

19. Q2-P6-019 • Answer B

The expenditure alone does not establish present value; investigate the arena's supported utility and relevant economic constraints.

A • Ownership does not eliminate economic constraints.

B • **Correct.** A specialised facility's incurred cost may not be recovered through its present benefits or market demand.

C • Spending is not a guarantee of recoverable value.

D • The budget does not create income or establish its duration.

Repair: Test recoverable utility rather than equating specialized expenditure with value.

Lessons 30. Source: S3 original arena cost-and-utility case; Lesson 30.

20. Q2-P6-020 • Answer A

The current-site scenario is higher by ₱0.4 million.

A • **Correct.** Relocation net = 18 − 3 − 1.4 = ₱13.6m; current-site benefits ₱14m exceed it by ₱0.4m.

B • That compares its benefits before the required relocation costs.

C • That deducts conversion work but omits migration costs.

D • ₱4.4m is the relocation cost, not the difference between net scenarios.

Repair: Include each alternative's required transition costs before comparing benefits.

Lessons 30. Source: S3 original facility-relocation calculation; Lesson 30.

21. Q2-P6-021 • Answer D

Reconcile the proposed design and costs with the supplied restriction, or clearly identify any separate scenario assuming its removal.

A • The restriction does not by itself establish zero feasible use or value.

B • An asset allocation does not resolve the use restriction.

C • A contractor's price does not remove the stated constraint.

D • **Correct.** The model cannot silently treat a constrained property as unconstrained.

Repair: Incorporate supplied preservation constraints into the development premise.

Lessons 30. Source: S3 original heritage-restriction case; Lesson 30.

Section P6 Answers and Explanations

Items 22–24 • Version 1.0

22. Q2-P6-022 • Answer B

Identify the remaining saleable rights and relevant continuing obligations before forecasting benefits.

A • Specialization does not establish that remaining rights have no benefits.

B • **Correct.** The current asset package includes prior rights and ongoing obligations that can affect future realisable cash flows.

C • A desired profit does not identify the required obligations.

D • Physical presence does not recreate a right already granted.

Repair: Forecast benefits from the rights still available and the obligations accompanying them.

Lessons 30. Source: S3 original cemetery-rights case; Lesson 30.

23. Q2-P6-023 • Answer A

Define and investigate the instructed transferable interest and identify any supported assumptions or unresolved limitations.

A • **Correct.** The subject must be a specified interest; a geographical description does not establish the seller's full rights.

B • A broad description cannot resolve the rights conflict.

C • That extends the subject beyond established rights.

D • Access does not establish the complete transferable interest.

Repair: Identify the actual interest before valuing a geographically unusual property.

Lessons 30. Source: S2 IVS 400 hierarchy of interests; original scenario.

24. Q2-P6-024 • Answer A

Investigate the consideration attributable to the land interest and separate the excluded crop stock and business benefits.

A • **Correct.** A mixed agricultural transaction can include economic components outside the instructed land-only subject.

B • That can compound the inclusion of excluded benefits.

C • Origin does not establish that every benefit belongs to the land interest.

D • Agricultural use does not make relevant land evidence unusable.

Repair: Reconcile agricultural asset and business components with the instructed valuation boundary.

Lessons 30. Source: S3 original orchard asset-boundary case; Lesson 30.

Section P6 Answers and Explanations

Items 25–27 • Version 1.0

25. Q2-P6-025 • Answer C

₱646,056.

A • That capitalizes the contract rent stream rather than the defined rent advantage and cost.

B • That uses three undiscounted advantages less the transfer cost.

C • **Correct.** Annual advantage = 1.2 − 0.9 = ₱0.3m. Its three-year PV is ₱746,055.60; deduct the time-zero ₱100,000 cost to obtain ₱646,055.60, rounded to ₱646,056.

D • That omits the transfer cost.

Repair: Value the specified remaining benefit and subtract costs at their own dates.

Lessons 30. Source: S5 OpenStax annuities; S3 original lease-advantage case.

26. Q2-P6-026 • Answer B

The assumed duration and transferability do not match the stated personal right.

A • A limited right can still confer benefits during its term.

B • **Correct.** The right's value analysis must reflect its actual terms; a lifetime benefit is not automatically a perpetual freehold.

C • Occupation does not change the supplied instrument.

D • The facts supply no such duration estimate.

Repair: Match the valuation subject to the supplied duration and transfer conditions.

Lessons 30. Source: S2 IVS 400 hierarchy of interests; original scenario.

27. Q2-P6-027 • Answer D

₱320,000.

A • That adds the initial payment instead of treating it as an outflow.

B • That uses undiscounted net receipts less the initial payment.

C • That omits the initial payment.

D • **Correct.** PV receipts = 220,000/1.10 + 242,000/1.21 = ₱400,000; less the initial ₱80,000 gives ₱320,000. No terminal ownership benefit is included.

Repair: Include the concession's actual receipts, initial cost and finite termination premise.

Lessons 30. Source: S3 original limited-concession cash flows; Lesson 30.

Section P6 Answers and Explanations

Items 28–30 • Version 1.0

28. Q2-P6-028 • Answer B

The rights, transfer conditions, control and marketability of the particular undivided interest.

A • No universal discount is established by these facts.

B • **Correct.** An arithmetic share can be a starting reference, but does not establish that the specified interest trades at that proportion.

C • That does not define this interest's characteristics.

D • That does not resolve control or transferability of the current right.

Repair: Assess the particular partial interest rather than impose an automatic share or discount rule.

Lessons 30. Source: S2 IVS 400 hierarchy of interests; original scenario.

29. Q2-P6-029 • Answer C

Analyse the specified access right and its benefits under the agreement rather than treating it as ownership of the servient land.

A • Nonexclusive use can still have benefits; its terms matter.

B • That adds unrelated benefits outside the instructed right.

C • **Correct.** A limited access benefit and the entire land ownership are different interests under the stated terms.

D • Use of a route does not establish full ownership.

Repair: Keep an access-right valuation within the specified right's economic scope.

Lessons 30. Source: S3 original limited-access case; Lesson 30.

30. Q2-P6-030 • Answer A

Limit the forecast to benefits available under the stated lease and remove the unsupported later sale benefit.

A • **Correct.** The tenant's spending does not create a post-expiry disposal right when the supplied terms exclude it.

B • Sunk expenditure does not change the agreed term.

C • That assigns another interest's benefit to the tenant.

D • The stated terms provide no compensation.

Repair: Trace terminal benefits to rights the subject holder actually retains.

Lessons 30. Source: S3 original tenant-improvement expiry case; Lesson 30.

Section P6 Answers and Explanations

Items 31–33 • Version 1.0

31. Q2-P6-031 • Answer B

The effect of the supplied restriction and consequence on the interest, use premise and feasible alternatives.

A • Demand does not itself remove the supplied restriction.

B • Correct. A higher retail forecast does not establish that the instructed interest can obtain those benefits without the stated constraint.

C • The issue concerns the right and use, not merely a bookkeeping allocation.

D • This constraint does not establish a universal value rule.

Repair: Reflect the supplied instrument's restrictions before forecasting an alternative use.

Lessons 30. Source: S3 original restricted-institutional-interest case; Lesson 30.

32. Q2-P6-032 • Answer B

Analyse the specified effect on the retained interest and keep any legal entitlement determination separate.

A • That expands the task beyond the supplied scope and evidence.

B • Correct. The valuation task and the legal entitlement question have distinct scopes; the amount should be tied to the instructed property effect.

C • Preference does not establish the instructed market effect.

D • That fails to analyse the stated retained-property effect.

Repair: Distinguish the property-effect analysis from a separate legal entitlement decision.

Lessons 30. Source: S3 original retained-property effect case; Lesson 30.

33. Q2-P6-033 • Answer D

Whether both indications value the same rights and premises before comparing their methods.

A • Description length is not a valuation criterion.

B • An average does not reconcile the subject rights.

C • That is an unsupported universal inference.

D • Correct. Different interests can produce different amounts without demonstrating method failure.

Repair: Align the interest and premise before interpreting differences between indications.

Lessons 28, 36. Source: S2 IVS 400; S3 original case-reconciliation exercise.

Section P6 Answers and Explanations

Items 34–36 • Version 1.0

34. Q2-P6-034 • Answer D

₱10 million.

A • That omits equipment from the deductions.

B • That removes property only and omits the other identified tangible allocations.

C • That sums the identified allocations rather than finding the remaining balance.

D • **Correct.** Unallocated balance = 55 − 35 − 8 − 2 = ₱10m. The arithmetic residual does not automatically prove that every peso is goodwill or real-property value.

Repair: Reconcile the package allocation and investigate the residual instead of assigning it an automatic asset label.

Lessons 28, 36. Source: S3 original mixed-package allocation check; Lessons 28 and 36.

35. Q2-P6-035 • Answer A

Check whether the technical scope, quantities, price date and timing still support the revised scenario.

A • **Correct.** A credible estimate for one design does not automatically support a materially changed design and schedule.

B • Relabelling does not review the underlying scope or prices.

C • Revenue is not a construction-cost estimate.

D • Capability does not make every earlier scope applicable.

Repair: Match specialist cost evidence to the actual scenario being valued.

Lessons 28, 36. Source: S3 original revised-design evidence case; Lessons 28 and 36.

36. Q2-P6-036 • Answer A

Remove or justify the overlapping allowance so the same specified effect is not counted twice.

A • **Correct.** The case explicitly includes the full payment already; an additional deduction needs a distinct supported effect.

B • That can leave the required cost and premise unexplained.

C • That is not a coherent repair of the overlapping treatment.

D • The facts establish no separate effect to support the second deduction.

Repair: Trace every material condition effect through the case model before adding a reconciliation adjustment.

Lessons 28, 36. Source: S3 original remediation-overlap case; Lessons 28 and 36.

Section P6 Answers and Explanations

Items 37–39 • Version 1.0

37. Q2-P6-037 • Answer D

Represent the transition period, later supported benefits and terminal premise in a suitable model rather than treating the commissioning year as perpetual stabilization.

A • That contradicts the supplied operating forecast.

B • Those losses remain part of the relevant dated scenario.

C • That does not investigate recoverable utility or other evidence.

D • **Correct.** A temporary start-up period is not automatically a stabilized income measure; the forecast and evidence should govern the method.

Repair: Separate transition cash flows from the supported stabilized operating premise.

Lessons 28, 36. Source: S6 IVS 103 income-model background; S3 original start-up case.

38. Q2-P6-038 • Answer C

₱14.8 million.

A • That adds the cost rather than deducting it.

B • That uses equal scenario weights before deducting the cost.

C • **Correct.** Weighted benefits = 20 × 0.60 + 12 × 0.40 = ₱16.8m; deduct the common current cost ₱2m to obtain ₱14.8m. This is the stated exercise result, not an independently established market value.

D • That omits the common current cost.

Repair: Apply the stated scenario weights and include common costs only once.

Lessons 28, 36. Source: S3 original weighted-scenario net calculation; Lessons 28 and 36.

39. Q2-P6-039 • Answer B

Assess whether the evidence supports the instructed opinion and accurately state the assumptions, unresolved limitations and scenario status.

A • Formula accuracy does not verify the missing facts.

B • **Correct.** Completed arithmetic does not verify material rights or site conditions; the conclusion must not overstate the available support.

C • An extreme scenario does not establish an unconditional opinion.

D • That conceals rather than resolves the evidence limitations.

Repair: Keep the strength and status of the case conclusion consistent with its evidence.

Lessons 28, 36. Source: S3 original unresolved-case conclusion; Lessons 28 and 36.

Section P6 Answers and Explanations

Item 40 • Version 1.0

40. Q2-P6-040 • Answer C

Reconcile the subject and scenario boundaries, remove unsupported aggregation and explain the conclusion relevant to the assignment.

A • That does not identify the instructed conclusion or resolve overlap.

B • A new label does not establish an economic benefit.

C • Correct. Alternative scenarios and overlapping asset packages are not necessarily additive; the final output must identify what opinion is actually being reported.

D • Correct individual calculations do not establish that their benefits are additive.

Repair: Review case scope and overlapping benefits before presenting an integrated total.

Lessons 28, 36. Source: S3 original integrated-case final review; Lessons 28 and 36.

Apply the case checks

Choose a case and state its subject, actual conditions, assumed conditions and decisive evidence. Explain why the selected method or calculation fits the supplied facts and what would need to change before a different conclusion could be supported.

Case and instructed interest _____
Actual versus assumed condition _____
Evidence supporting the model _____
Costs benefits and rights to reconcile _____
Conclusion and remaining limitation _____

Section P6 Score Record

Name _____ Date _____ Version 1.0
Section score ____ / 40 = ____%; elapsed time _____
First / repeated _____ Open / closed book _____

Set	Correct	Lessons	Repair priority
A	____ / 8	27, 36	_____
B	____ / 8	30	_____
C	____ / 8	30	_____
D	____ / 8	30	_____
E	____ / 8	28, 36	_____

Interpret the result

Each set contains eight items: set percentage = correct / 8 × 100. One answer changes that percentage by 12.5 points. Use the specific errors and confidence notes to locate the skill gap; these short-set percentages are not calibrated mastery measures.

Section completion

Development and timing errors repaired _____
Trading-asset boundary errors repaired _____
Specialised-use and constraint errors repaired _____
Partial-right and term errors repaired _____
Reconciliation and conclusion errors repaired _____

This complete volume contains all 400 topic-practice questions and two fresh 100-item mocks. Use the diagnostic records and lesson routes to repair errors, then attempt the mocks under recorded conditions.

Section P6 Error Repair Record

Use one entry for each error and each uncertain correct response. Preserve the original answer and any working while reconstructing the case decision.

Item ID _____ Original answer ____ Correct answer ____

Subject interest and valuation premise _____

Decisive fact or governing term _____

Benefits costs and asset boundaries _____

Formula timing and reference base _____

Why the closest distractor fails _____

Relevant source or lesson _____

Corrected calculation or reasoning _____

Fresh changed-facts retest _____

Outcome and next review date _____

Before the final topic package

Be able to explain how a right, cost, timing assumption or asset boundary changes the case conclusion. The final topic package applies assessment and tax calculations, GIS interpretation and current-event evidence under their own defined sources and dates.

For an editorial correction, update the exact item version, choices, key and explanation together. Preserve the reason for the change and keep unrounded numerical working available for review.

Section P6 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify conceptual background; the questions supply newly authored scenarios. Apply the stated source edition and actual assignment conditions together.

S1 ● IVSC IVS 410 Development Property

International Valuation Standards, effective 31 January 2025. Selected references concern unfinished property, contractual completion benefits, phasing, residual models and scenario sensitivity. IVSC-authored text hosted by SAICA. Cases and numerical schedules here are independently authored.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S2 ● IVSC IVS 400 Real Property Interests

Same identified IVS edition. Background concerns trading-property income, asset allocation and the specific rights and constraints in an interest. These references support conceptual analysis rather than determine Philippine rights in an actual disputed property.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

S3 ● REALEX original valuation cases

Primary routes: Lessons 27, 28, 30 and 36. All 40 question records are original. Twelve numerical cases use supplied fictional allocations, schedules, rights, probabilities and costs. Model scenarios are distinguished from independently supported value opinions and actual legal conclusions.

Course route: REALEX Lessons 27, 28, 30 and 36

Section P6 Selected Sources and Currency Notes

Reference date 13 October 2026. References identify conceptual background; the questions supply newly authored scenarios. Apply the stated source edition and actual assignment conditions together.

S4 • PRC July 2026 examination program

Page 1 includes case studies and specialized valuation within Professional Appraisal Practice, a subject carrying 50% of the examination. The 40-item topic allocation is editorial. The applicable 2027 program and detailed TOS remain to be verified.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

S5 • OpenStax Annuities

Principles of Finance 2e section 8.2 supplies background on present values of dated periodic amounts. The lease-advantage, concession and delay schedules are original. Different durations, initial costs and terminal rights must remain explicit in each exercise.

https://openstax.org/books/principles-finance-2e/pages/8-2-annuities

S6 • IVSC IVS 103 Valuation Approaches

Same identified IVS edition. Method-selection, equivalent-utility and income-model concepts provide background for specialised facilities and transition-period forecasts. No source example or question is reproduced. A supported calculation does not itself establish the suitability of a method for an actual asset.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

Source and premise discipline

Read the identified standard edition with the actual assignment scope. Property rights, operating agreements, permissions and obligations depend on their governing instruments and facts. The fictional inputs here do not independently determine those matters in practice.

The originality check covers the 888 previously completed questions in this series. No purchased question-bank item or recalled licensure examination question is used as a template. The check is not an exhaustive comparison with every question published elsewhere.

Section 7 Assessment and Tax Application

QUESTIONNAIRE 2 • Professional Appraisal Practice

40 original four-option questions
Q2-P7-001 to Q2-P7-040 • Version 1.0
2027 Preparation Edition • Prepared 13 October 2026
Russell Famisaran

Apply the assessment framework to asset classification, component values, tax calculations, statutory safeguards and review of evidence. Work through each case using its stated tax type, legal route and calculation premises.

Instructions

Select one best answer A–D using the stated facts. Complete all 40 items or one named set. Record first or repeated attempt, open or closed book, and elapsed time. Keep the key and explanations closed during the attempt.

Scope and conventions

The topic counts are editorial allocations, not verified official 2027 PRC topic quotas. These are original practice questions rather than actual or recalled licensure questions. Difficulty labels are editorial and are not statistically calibrated.

Carry intermediate precision and round only as stated. Fictional numerical cases supply their own valid rates, classes and conditions. A historical relief question uses its expressly identified period; it does not assert current eligibility. GIS measurements use the supplied units and measurement assumptions.

Book pages	Contents
251–252	Coverage and response sheet
253–262	40 questions
263	Compact key
264–277	Per-option explanations
278–279	Score and error repair
280 onward	Primary sources and currency notes

Section P7 Coverage and Lesson Routes

Set	Items	Competency
A	1–8	Assessment records and classifications
B	9–16	Tax computations and payment
C	17–24	RPVARA schedules safeguards and transition
D	25–32	Appeals protests and settlement
E	33–40	Machinery assessment and model review

Lesson route

Primary lessons: 21, 22, 29, 31, 32. Individual explanations carry their own routes and source references.

Before selecting an answer

Identify the asset or record being analysed, the governing source and the precise output requested. Determine whether a percentage applies to market value, assessed value, a tax amount, an area or an index. A date or label alone does not verify the underlying evidence.

Verification record

All 40 stems were compared with the 928 earlier questions in the series. 15 numerical exercises were independently recalculated.

A correct result depends on both valid inputs and valid reasoning. Use the explanations to repair the specific error rather than memorise the position of the correct option.

Section P7 Answer Sheet

Items 1–40 • Version 1.0

Name _____ Date _____
Attempt _____ First / repeated _____
Open / closed book _____ Start _____ Finish _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	11	A B C D	21	A B C D	31	A B C D
2	A B C D	12	A B C D	22	A B C D	32	A B C D
3	A B C D	13	A B C D	23	A B C D	33	A B C D
4	A B C D	14	A B C D	24	A B C D	34	A B C D
5	A B C D	15	A B C D	25	A B C D	35	A B C D
6	A B C D	16	A B C D	26	A B C D	36	A B C D
7	A B C D	17	A B C D	27	A B C D	37	A B C D
8	A B C D	18	A B C D	28	A B C D	38	A B C D
9	A B C D	19	A B C D	29	A B C D	39	A B C D
10	A B C D	20	A B C D	30	A B C D	40	A B C D

After the attempt

Correct ____ / 40; wrong ____; blank ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson _____

Editorial practice scoring: one point for each correct answer and zero for wrong, blank or multiple responses. Preserve the original attempt before review.

Section P7 Questions

Items 1–4 • Select one best answer.

1. Q2-P7-001 • Set A

An assessment register records the same warehouse twice under different parcel identifiers. Both entries feed the billing file. What should be done before the annual tax computation?

A. Delete the entire warehouse assessment without verification.

B. Retain both entries because different IDs prove different assets.

C. Reconcile identity and remove the confirmed duplicate through the proper correction process.

D. Apply half the tax rate to both entries indefinitely.

2. Q2-P7-002 • Set A

A landowner describes a parcel as residential because its registered owner lives elsewhere in a house. Inspection shows this parcel is principally used as a commercial storage yard. Which fact governs the actual-use enquiry?

A. The parcel's oldest sale advertisement.

B. The owner's personal home address.

C. The owner's preferred tax label.

D. The predominant use of the parcel being assessed.

3. Q2-P7-003 • Set A

An assessment file uses a residential-land percentage for both a house and its land without consulting the building schedule. What control is missing?

A. Using the income-tax rate for the building.

B. Removing the building because land is already assessed.

C. Separate verification of the applicable land and building assessment levels.

D. Applying the land rate to every asset on the parcel.

4. Q2-P7-004 • Set A

A commercial assessment workbook labels 50% as the basic RPT rate and 2% as the assessment level. Which repair is required?

A. Multiply the market value by 52%.

B. Use only 50% because it is larger.

C. Put the assessment percentage in the value-to-assessed-value step and the tax rate in the assessed-value-to-tax step.

D. Apply both percentages independently to market value and add.

Section P7 Questions

Items 5–8 • Select one best answer.

5. Q2-P7-005 • Set A

A church-owned parcel is operated as an unrelated commercial parking business. The clerk grants an automatic exemption solely because of the owner. What must be investigated?

A. Whether the land is absent from a satellite photograph.

B. Only whether parking earns a small profit.

C. Whether the property's actual direct and exclusive use meets the relevant exemption conditions.

D. Only whether the owner has a religious name.

6. Q2-P7-006 • Set A

A parcel is classified as a special property for assessment purposes. A draft therefore sets its tax liability to zero without identifying any exemption. What is wrong?

A. Only privately owned land can be classified.

B. Special classification is being treated as automatic tax exemption.

C. Any special property must be taxed at 100% of market value.

D. Special classification always means ownership is uncertain.

7. Q2-P7-007 • Set A

An assessor proposes valuing every exempt asset at zero in the new market-value database. Which RPVARA provision requires a different treatment?

A. All exempt assets must be assigned their acquisition invoice forever.

B. Section 14 calls for prevailing-market-value appraisal of both taxable and exempt real properties.

C. Every exempt asset must consequently be taxed.

D. Exempt assets must all be removed from the database.

8. Q2-P7-008 • Set A

A bill combines basic RPT and SEF into one unlabeled percentage. The owner cannot identify either amount. What reporting improvement is needed?

A. Describe SEF as a second assessment level.

B. Show only the property's asking price.

C. Replace both with a national income-tax line.

D. Show the assessed base and the distinct basic and SEF computations.

Section P7 Questions

Items 9–12 • Select one best answer.

9. Q2-P7-009 • Set B

A supplied valid assessment lists land market value ₱3.6m at 20% and building market value ₱2.4m at 30%. Basic RPT is 1% and SEF 1%. With no other adjustments, what combined annual amount follows?

A. ₱30,000.

B. ₱14,400.

C. ₱120,000.

D. ₱28,800.

10. Q2-P7-010 • Set B

A valid bill uses a 1.5% basic rate and 1% SEF on assessed value ₱840,000. What is the basic-tax portion of the ₱21,000 combined bill?

A. ₱21,000.

B. ₱12,600.

C. ₱31,500.

D. ₱8,400.

11. Q2-P7-011 • Set B

An annual basic-plus-SEF bill totals ₱46,800. All four equal installments are eligible for interest-free payment under section 250. What amount belongs to each installment?

A. ₱11,700.

B. ₱23,400.

C. ₱3,900.

D. ₱46,800.

12. Q2-P7-012 • Set B

A supplied valid ordinance grants a 15% advance-payment discount on an eligible annual basic-plus-SEF amount of ₱32,000. What discounted payment follows?

A. ₱4,800.

B. ₱36,800.

C. ₱25,600.

D. ₱27,200.

Section P7 Questions

Items 13–16 • Select one best answer.

13. Q2-P7-013 • Set B

A delinquent unpaid RPT amount is ₱18,000. The case stipulates four chargeable months or fractions, 2% simple monthly interest, no relief and no other charges. What interest follows?

A. ₱360.

B. ₱7,200.

C. ₱1,440.

D. ₱1,483.78.

14. Q2-P7-014 • Set B

For a separate delinquency, ₱25,000 remains wholly unpaid for 44 chargeable months. Apply the section 255 2% simple monthly rate and 36-month ceiling, with no other charges or relief. What total principal and interest follows?

A. ₱43,000.

B. ₱47,000.

C. ₱25,500.

D. ₱18,000.

15. Q2-P7-015 • Set B

Two taxable components have assessed values ₱620,000 and ₱380,000. A third component is expressly exempt and is excluded from this bill. With valid basic RPT 1% and SEF 1%, what combined tax follows?

A. ₱20,000.

B. ₱10,000.

C. ₱12,400.

D. ₱7,600.

16. Q2-P7-016 • Set B

In a supplied classification-correction exercise, land market value remains ₱4m, the applicable level changes from 20% to 40%, and combined levy remains 2%. Ignore caps and timing for this exercise. What increase in annual tax follows?

A. ₱32,000.

B. ₱16,000.

C. ₱800,000.

D. ₱8,000.

Section P7 Questions

Items 17–20 • Select one best answer.

17. Q2-P7-017 • Set C

A supplied eligible first-year RPVARA case has pre-Act basic tax ₱20,000 and SEF ₱12,000. New uncapped amounts are ₱25,000 and ₱11,000. Apply the section 29 6% increase cap separately to each type. What payable combined amount follows?

A. ₱32,000.

B. ₱36,000.

C. ₱32,200.

D. ₱33,920.

18. Q2-P7-018 • Set C

A treasurer explains that RPVARA's first-year 6% cap limits every new assessed value to a 6% increase. What correction is needed?

A. Every valuation must increase by exactly 6%.

B. The cap guarantees that all future years have the same limit without an ordinance.

C. The cap concerns increases in each type of real property tax in the specified first year, not a universal ceiling on assessed value.

D. The cap applies to national income-tax rates.

19. Q2-P7-019 • Set C

A locality has a newly approved SMV but has not yet established that the required publications and postings are complete. A bill treats approval alone as immediate effectivity. What check is missing?

A. The section 16 publication and posting requirements and the 15-day effectivity interval.

B. Whether an appraiser can remove the interval by preference.

C. Whether any unofficial blog announced the schedule.

D. Whether the owner's asking price changed on approval day.

20. Q2-P7-020 • Set C

No action is taken by the Secretary of Finance within the section 16 period on a proposed SMV. Which schedule remains effective under that provision?

A. The existing SMV.

B. The largest neighboring city's schedule automatically applies.

C. The proposed SMV automatically replaces it.

D. No schedule may be used for any purpose.

Section P7 Questions

Items 21–24 • Select one best answer.

21. Q2-P7-021 • Set C

A revenue-impact report after approval of an SMV offers only one assessment-level and tax-rate option. What section 17 requirement is missing?

A. A guarantee of the highest possible tax revenue.

B. Automatic replacement of every tax rate by 6%.

C. A private lender's permission to issue tax bills.

D. Three proposed options for adjusting existing assessment levels and tax rates.

22. Q2-P7-022 • Set C

During the statutory transition, the new SMV is not available or updated. Supplied values are existing SMV ₱3.2m, BIR zonal ₱4.8m and transaction price ₱4.5m. Under section 29, what value base is selected for the stated internal-revenue-tax exercise?

A. ₱12.5 million.

B. ₱4.5 million.

C. ₱3.2 million.

D. ₱4.8 million.

23. Q2-P7-023 • Set C

An operative approved SMV supplies ₱5.4m and the gross selling consideration is ₱5.1m. Apply section 18(a)(3) to this supplied tax-base exercise. What amount is selected?

A. ₱5.4 million.

B. ₱300,000.

C. ₱10.5 million.

D. ₱5.1 million.

24. Q2-P7-024 • Set C

A fictional timely eligible amnesty application covers principal tax ₱74,000, penalties ₱9,000 and interest ₱17,000. All section 30 conditions are stipulated satisfied. What principal remains payable after the covered additions are waived?

A. ₱100,000.

B. ₱74,000.

C. ₱26,000.

D. ₱0.

Section P7 Questions

Items 25–28 • Select one best answer.

25. Q2-P7-025 • Set D

A property subject to a pending court case for RPT delinquency seeks section 30 amnesty solely because its unpaid tax arose before the Act. Which issue controls eligibility under the stated facts?

A. A verbal promise from a buyer removes the court-case exclusion.

B. The statutory exclusion for properties with pending court cases for RPT delinquencies.

C. The property's current asking price determines eligibility.

D. The principal debt automatically becomes zero.

26. Q2-P7-026 • Set D

An owner challenges the assessor's valuation after receipt of written assessment notice. Under section 226, which event starts the 60-day appeal period?

A. The owner's next property sale.

B. The annual financial statement signing date.

C. The inspector's first visit.

D. Receipt of the written notice of assessment.

27. Q2-P7-027 • Set D

A valuation appeal is pending under the LGC assessment-appeal provisions. The owner directs the treasurer to suspend collection solely because of that appeal. Which section 231 treatment applies?

A. The assessor must refund all tax before any decision.

B. Collection is not suspended merely by the assessment appeal, subject to later adjustment.

C. The appeal automatically extinguishes the tax lien.

D. All RPT collection automatically ceases until a decision.

28. Q2-P7-028 • Set D

For a protest expressly proceeding under LGC section 252, tax has been paid with the prescribed protest annotation. What period applies to filing the written protest from payment?

A. 60 days.

B. One year.

C. 120 days.

D. 30 days.

Section P7 Questions

Items 29–32 • Select one best answer.

29. Q2-P7-029 • Set D

A local board's assessment-appeal decision is received by the owner. Under section 229(b), what period is specified for appeal to the CBAA?

A. 30 days from receipt of the decision.

B. 60 days from the original assessment inspection.

C. 120 days from filing the original appeal.

D. Any time while the property is retained.

30. Q2-P7-030 • Set D

A reviewer imports section 195's local-tax protest timetable into a worksheet expressly intended for a section 252 RPT payment protest. What must be corrected?

A. Use whichever deadline is longer without analysis.

B. Treat all local-tax disputes as the same statutory procedure.

C. Remove every date from the worksheet.

D. Use the procedure applicable to the stated RPT protest rather than interchange the distinct sections.

31. Q2-P7-031 • Set D

A paid-under-protest RPT dispute is finally resolved in the taxpayer's favor. Under section 252(c), what disposition can follow for the favorable amount?

A. Refund or application as a credit against existing or future tax liability.

B. The amount must always become a charitable donation.

C. The treasurer must impose an equal new penalty.

D. The amount automatically transfers ownership of the property.

32. Q2-P7-032 • Set D

A land sale contract privately allocates overdue RPT to the seller, but it remains unpaid. The buyer says the contract alone extinguishes the property's tax lien. What is the correct enquiry?

A. Replace the tax lien with the seller's verbal assurance.

B. Verify settlement of the tax and related amounts; private allocation alone does not establish extinguishment of the statutory lien.

C. Assume the lien vanishes when the buyer signs.

D. Assume changing the parcel name erases arrears.

Section P7 Questions

Items 33–36 • Select one best answer.

33. Q2-P7-033 • Set E

A used machine has stipulated remaining economic life 6 years, estimated economic life 10 years and replacement cost ₱5m. Apply section 224(a)'s formula without other adjustments. What indicated machinery FMV follows?

A. ₱3 million.

B. ₱2 million.

C. ₱8.333 million.

D. ₱5 million.

34. Q2-P7-034 • Set E

For an assessment-floor exercise under section 225, the relevant cost is ₱2m and a proposed remaining value is ₱300,000. The machine remains useful and in operation. What minimum remaining value applies?

A. ₱400,000.

B. ₱2 million.

C. ₱100,000.

D. ₱300,000.

35. Q2-P7-035 • Set E

In a supplied mass-appraisal audit, three reference sales are ₱2m each; model market values are ₱1.8m, ₱2m and ₱2.2m. What median model-to-sale ratio follows?

A. 0.90.

B. 1.10.

C. 1.00.

D. 3.00.

36. Q2-P7-036 • Set E

A mass-appraisal model's training and validation files contain the same transactions. The reported validation error is very low. What reliability check is needed?

A. Treat every low error as proof of general reliability.

B. Use genuinely independent held-out evidence and investigate leakage before relying on the validation result.

C. Replace validation with the modeler's confidence statement.

D. Delete all high-price properties from validation.

Section P7 Questions

Items 37–40 • Select one best answer.

37. Q2-P7-037 • Set E

Every residential model error has the same upward bias, but the overall average across commercial and residential properties is zero. What should be reviewed?

A. Only the combined mean because zero proves every subgroup is correct.

B. Only the number of spreadsheet tabs.

C. Performance within relevant property groups as well as the aggregate.

D. Only whether the model has a colorful map.

38. Q2-P7-038 • Set E

A sales dataset contains transfers between related parties, but the model treats all recorded prices as verified open-market transactions. What research repair is needed?

A. Average deed dates to determine market value.

B. Investigate transaction conditions and suitability before retaining or adjusting each observation.

C. Delete every low price solely because it is low.

D. Retain every transfer unchanged because it has a deed.

39. Q2-P7-039 • Set E

A tax-impact forecast applies the new assessment level to existing assessed value instead of the proper market-value base. What formula correction is needed?

A. Add the level to the basic tax rate.

B. Apply the level twice to be conservative.

C. Derive assessed value from the applicable market value and level before computing the levy.

D. Use the owner's loan balance as the tax base.

40. Q2-P7-040 • Set E

An annual bill reconciles arithmetically, but the appraisal file cannot identify the SMV edition or parcel class used. What remains to be checked?

A. Only the bank account used for payment.

B. Only the document's cover color.

C. Nothing because a calculator confirmed the total.

D. The legal and evidential validity of the schedule and classification supporting the calculation.

Section P7 Compact Answer Key

Items 1–40 • Check after completing the attempt.

Item	Key	Item	Key	Item	Key	Item	Key
1	C	11	A	21	D	31	A
2	D	12	D	22	D	32	B
3	C	13	C	23	A	33	A
4	C	14	A	24	B	34	A
5	C	15	A	25	B	35	C
6	B	16	B	26	D	36	B
7	B	17	C	27	B	37	C
8	D	18	C	28	D	38	B
9	D	19	A	29	A	39	C
10	B	20	A	30	D	40	D

Review method

Section percentage = correct / 40 × 100. Review uncertain correct responses as well as wrong responses. Explain why the closest distractor fails under the stated facts.

This section score describes this attempt. It does not determine an official passing result, ranking, actual property value or actual tax liability.

Section P7 Answers and Explanations

Items 1–3

1. Q2-P7-001 ● Answer C

Reconcile identity and remove the confirmed duplicate through the proper correction process.

A ● The valid assessment must remain after the duplicate is resolved.

B ● Identifiers alone do not prove distinct properties.

C ● Correct. One asset should not generate two liabilities merely because its identifiers differ.

D ● That masks the record defect without correcting it.

Repair: Reconcile physical assets and assessment records before billing.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

2. Q2-P7-002 ● Answer D

The predominant use of the parcel being assessed.

A ● Historic marketing does not establish current predominant use.

B ● That describes another property.

C ● Preference does not establish actual use.

D ● Correct. The owner's residence elsewhere does not establish this parcel's use under section 217.

Repair: Identify the use of the assessed asset rather than the owner's personal circumstances.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

3. Q2-P7-003 ● Answer C

Separate verification of the applicable land and building assessment levels.

A ● That is a different tax framework.

B ● Land and improvements may both be assessed.

C ● Correct. Section 218 distinguishes asset categories; the land percentage does not automatically govern the house.

D ● A shared location does not erase category-specific rules.

Repair: Match each component to its own lawful classification and level.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

Section P7 Answers and Explanations

Items 4–6

4. Q2-P7-004 ● Answer C

Put the assessment percentage in the value-to-assessed-value step and the tax rate in the assessed-value-to-tax step.

A ● Adding the percentages does not repair their roles.

B ● That discards the tax-rate step.

C ● Correct. The percentages perform different functions and have been reversed.

D ● That uses an inconsistent base.

Repair: Keep valuation base assessment level and levy rate in their proper order.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

5. Q2-P7-005 ● Answer C

Whether the property's actual direct and exclusive use meets the relevant exemption conditions.

A ● Image visibility does not establish tax exemption.

B ● Profit size alone is not the statutory use test.

C ● Correct. Ownership alone does not establish the religious-use exemption in section 234(b).

D ● A name does not establish qualifying use.

Repair: Verify the exemption's actual conditions and evidence.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

6. Q2-P7-006 ● Answer B

Special classification is being treated as automatic tax exemption.

A ● The statutory classes are not restricted in that manner.

B ● Correct. Classification and exemption are distinct enquiries under sections 216 and 234.

C ● No such universal level follows.

D ● That does not follow from the classification.

Repair: Do not substitute a classification label for an exemption analysis.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

Section P7 Answers and Explanations

Items 7–9

7. Q2-P7-007 ● Answer B

Section 14 calls for prevailing-market-value appraisal of both taxable and exempt real properties.

A ● The provision calls for prevailing market values.

B ● Correct. Exemption from a levy does not eliminate the statutory valuation task.

C ● Valuation does not itself remove an exemption.

D ● That contradicts the inclusive valuation requirement.

Repair: Keep valuation coverage separate from liability.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

8. Q2-P7-008 ● Answer D

Show the assessed base and the distinct basic and SEF computations.

A ● SEF is a levy on assessed value rather than a level used to derive that value.

B ● An asking price does not explain the levy.

C ● That is a different tax.

D ● Correct. Section 235 treats SEF as an additional levy; transparent components support checking.

Repair: Keep assessment and levy components traceable.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 198–199 216–218 234–235; S2 RA 12001 section 14.

9. Q2-P7-009 ● Answer D

₱28,800.

A ● That uses a uniform 25% level without the supplied component levels.

B ● That includes only one of the two levies.

C ● That applies 2% directly to the full market value.

D ● Correct. Assessed value = 720,000 + 720,000 = 1,440,000; combined levy = 1,440,000 × 2% = 28,800.

Repair: Calculate each component's assessed value before applying the levy.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

Section P7 Answers and Explanations

Items 10–12

10. Q2-P7-010 ● Answer B

₱12,600.

A ● That is the combined bill rather than the requested component.

B ● Correct. Basic portion = 840,000 × 1.5% = 12,600; SEF is separately 8,400.

C ● That multiplies the combined bill by 1.5 instead of applying the rate to assessed value.

D ● That is the SEF portion.

Repair: Identify the requested levy component.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

11. Q2-P7-011 ● Answer A

₱11,700.

A ● Correct. Each installment is 46,800 / 4 = 11,700.

B ● That divides it into two.

C ● That divides the annual bill into twelve instead of four.

D ● That repeats the annual total in every quarter.

Repair: Distinguish quarterly installments from monthly budgeting.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

12. Q2-P7-012 ● Answer D

₱27,200.

A ● That is the discount only.

B ● That adds the discount instead of deducting it.

C ● That substitutes a 20% discount for the supplied 15%.

D ● Correct. Discount = 32,000 × 15% = 4,800; net payment = 27,200.

Repair: Use the actual eligible discount rather than the statutory maximum.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

Section P7 Answers and Explanations

Items 13–15

13. Q2-P7-013 ● Answer C

₱1,440.

A ● That charges one month only.

B ● That substitutes a 10% monthly charge.

C ● Correct. 18,000 × 2% × 4 = 1,440; the stated calculation is simple interest.

D ● That compounds the monthly interest instead of using the stipulated simple method.

Repair: Count the supplied chargeable periods and use the proper interest base.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

14. Q2-P7-014 ● Answer A

₱43,000.

A ● Correct. Interest = 25,000 × 2% × 36 = 18,000; total = 43,000.

B ● That charges all 44 months despite the ceiling.

C ● That charges only one month.

D ● That is interest alone.

Repair: Apply the statutory period ceiling before adding principal.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

15. Q2-P7-015 ● Answer A

₱20,000.

A ● Correct. Taxable assessed base = 620,000 + 380,000 = 1,000,000; tax = 20,000.

B ● That omits one levy.

C ● That includes only the first taxable component.

D ● That includes only the second taxable component.

Repair: Sum only the stipulated taxable assessed components.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

Section P7 Answers and Explanations

Items 16–18

16. Q2-P7-016 ● Answer B

₱16,000.

A ● That is the new tax rather than the increase.

B ● Correct. Old tax = 4m × 20% × 2% = 16,000; new tax = 32,000; increase = 16,000.

C ● That is the assessed-value increase rather than the tax increase.

D ● That uses only a 1% combined levy.

Repair: Distinguish changed assessment base from changed tax amount.

Lessons 21, 32. Source: S1 RA 7160 sections 199 233 235 250–251 255; S4 original numerical exercises.

17. Q2-P7-017 ● Answer C

₱32,200.

A ● That freezes both components at the old combined total.

B ● That ignores the basic-tax increase cap.

C ● Correct. Basic is capped at 20,000 × 1.06 = 21,200; SEF decreases to 11,000 and is not raised to its ceiling. Total = 32,200.

D ● That raises both old components by 6% despite the SEF decrease.

Repair: Apply the cap to increases per tax type and retain actual decreases.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

18. Q2-P7-018 ● Answer C

The cap concerns increases in each type of real property tax in the specified first year, not a universal ceiling on assessed value.

A ● The provision establishes a maximum tax increase, not a required valuation change.

B ● The Act permits LGU caps for succeeding years by ordinance.

C ● Correct. Section 29 limits the tax increase under its conditions.

D ● Those are outside the stated RPT cap.

Repair: Identify the capped quantity and the eligible period.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

Section P7 Answers and Explanations

Items 19–21

19. Q2-P7-019 ● Answer A

The section 16 publication and posting requirements and the 15-day effectivity interval.

A ● Correct. Approval and statutory effectivity are different steps.

B ● The statutory process cannot be replaced by preference.

C ● An unofficial announcement does not establish the required publications.

D ● That does not satisfy the statutory effectivity process.

Repair: Verify an SMV's effective status before using it.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

20. Q2-P7-020 ● Answer A

The existing SMV.

A ● Correct. The statute expressly preserves the existing schedule in the specified absence of action.

B ● No such substitution is provided.

C ● The provision does not establish automatic replacement.

D ● Preservation of the existing schedule prevents that conclusion.

Repair: Distinguish absence of action from statutory approval.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

21. Q2-P7-021 ● Answer D

Three proposed options for adjusting existing assessment levels and tax rates.

A ● The requirement concerns options and impacts rather than maximum yield.

B ● The first-year cap is not a universal tax rate.

C ● That is not the statutory role.

D ● Correct. The assessor and treasurer's impact report should present three options for Sanggunian consideration.

Repair: Connect the revised schedule with transparent tax-impact options.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

Section P7 Answers and Explanations

Items 22–24

22. Q2-P7-022 ● Answer D

₱4.8 million.

A ● The three bases are compared rather than added.

B ● That is below the supplied zonal value.

C ● That is the lowest supplied base.

D ● Correct. The transition rule selects the highest of these three supplied amounts, which is the zonal value.

Repair: Use the applicable transition rule and compare the correct bases.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

23. Q2-P7-023 ● Answer A

₱5.4 million.

A ● Correct. The specified rule compares operative SMV with gross selling consideration and uses the higher amount.

B ● That is the difference rather than the selected base.

C ● The bases are not cumulative.

D ● That selects the lower amount.

Repair: Distinguish the operative SMV rule from the transitional comparison.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

24. Q2-P7-024 ● Answer B

₱74,000.

A ● That ignores the stipulated waiver.

B ● Correct. The covered additions total 26,000; the principal remains 74,000 rather than being cancelled.

C ● That is the waived amount rather than the payable principal.

D ● The amnesty does not cancel the principal under the stated provision.

Repair: Separate covered additions from the underlying tax debt.

Lessons 21, 22, 32. Source: S2 RA 12001 sections 16–18 29–30; S4 original conditional tax exercises.

Section P7 Answers and Explanations

Items 25–27

25. Q2-P7-025 ● Answer B

The statutory exclusion for properties with pending court cases for RPT delinquencies.

A ● A private promise does not change the statutory condition.

B ● Correct. Pre-Act debt alone does not overcome the listed exclusion.

C ● That is not the listed condition.

D ● No such principal cancellation follows.

Repair: Check the exclusions as well as the debt period.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

26. Q2-P7-026 ● Answer D

Receipt of the written notice of assessment.

A ● Sale is not the specified trigger.

B ● That is unrelated to the statutory trigger.

C ● That is not the specified trigger.

D ● Correct. The statutory clock is tied to receipt rather than a different date in the file.

Repair: Record the correct notice and receipt date.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

27. Q2-P7-027 ● Answer B

Collection is not suspended merely by the assessment appeal, subject to later adjustment.

A ● No automatic pre-decision refund follows.

B ● Correct. The provision preserves collection while allowing adjustment according to the result.

C ● Filing an appeal does not establish payment or extinguishment.

D ● That contradicts section 231.

Repair: Distinguish an assessment challenge from the effect on collection.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

Section P7 Answers and Explanations

Items 28–30

28. Q2-P7-028 ● Answer D

30 days.

A ● That is the treasurer's decision period from receipt, not this filing period.

B ● That is not the section 252 written-protest period.

C ● That is a different assessment-appeal decision period.

D ● Correct. Section 252 specifies a written protest within 30 days from payment.

Repair: Keep payment filing and decision periods distinct.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

29. Q2-P7-029 ● Answer A

30 days from receipt of the decision.

A ● Correct. The statutory period is tied to receipt of the local board's decision.

B ● That confuses the initial appeal and a different trigger.

C ● That is the local board's decision period rather than the requested appeal period.

D ● The provision sets a definite appeal period.

Repair: Distinguish successive procedural stages and their triggers.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

30. Q2-P7-030 ● Answer D

Use the procedure applicable to the stated RPT protest rather than interchange the distinct sections.

A ● Convenience does not select the applicable provision.

B ● The Code provides distinct procedures.

C ● That prevents deadline control.

D ● Correct. Different remedies have different triggers and periods; the worksheet must identify its route.

Repair: Name the remedy before selecting its deadline.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

Section P7 Answers and Explanations

Items 31–33

31. Q2-P7-031 ● Answer A

Refund or application as a credit against existing or future tax liability.

A ● Correct. The statute provides those alternatives for the favorable amount.

B ● That is not the specified disposition.

C ● That contradicts the favorable resolution.

D ● A tax adjustment does not convey land.

Repair: Link the favorable result to the permitted refund or credit.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

32. Q2-P7-032 ● Answer B

Verify settlement of the tax and related amounts; private allocation alone does not establish extinguishment of the statutory lien.

A ● An assurance is not evidence of discharge.

B ● Correct. Section 257 links extinguishment to payment rather than merely a private allocation.

C ● Signature alone does not establish payment.

D ● Renaming does not settle liability.

Repair: Verify statutory settlement separately from contractual allocation.

Lessons 21, 22, 32. Source: S1 RA 7160 sections 195 226 229 231 252 257.

33. Q2-P7-033 ● Answer A

₱3 million.

A ● Correct. Remaining-to-estimated-life ratio is 6 / 10; multiplied by 5m it gives 3m.

B ● That uses elapsed life rather than remaining life.

C ● That reverses the ratio.

D ● That omits the life ratio.

Repair: Apply the stated remaining-life proportion to the appropriate cost.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

Section P7 Answers and Explanations

Items 34–36

34. Q2-P7-034 ● Answer A

₱400,000.

A ● Correct. The statutory floor is 20% × 2m = 400,000 for the stated operating condition.

B ● The floor does not require retention of full cost.

C ● That uses 5% rather than the 20% floor.

D ● That is below the stipulated applicable floor.

Repair: Separate annual allowance limits from the operating-machine floor.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

35. Q2-P7-035 ● Answer C

1.00.

A ● That is the lowest ratio.

B ● That is the highest ratio.

C ● Correct. The ratios are 0.90, 1.00 and 1.10; their ordered middle is 1.00.

D ● That is the sum rather than the median.

Repair: Use consistent numerator and denominator before taking the median.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

36. Q2-P7-036 ● Answer B

Use genuinely independent held-out evidence and investigate leakage before relying on the validation result.

A ● The test design matters as well as the statistic.

B ● Correct. Reusing training cases does not independently test performance on unseen cases.

C ● Confidence is not independent performance evidence.

D ● That can bias the test rather than correct leakage.

Repair: Check whether the validation data actually test generalisation.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

Section P7 Answers and Explanations

Items 37–39

37. Q2-P7-037 ● Answer C

Performance within relevant property groups as well as the aggregate.

A ● The stated subgroup bias contradicts that inference.

B ● Tab count does not establish accuracy.

C ● Correct. Opposing subgroup errors can cancel in the aggregate and hide a systematic problem.

D ● Presentation does not test bias.

Repair: Disaggregate model performance where the evidence identifies group effects.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

38. Q2-P7-038 ● Answer B

Investigate transaction conditions and suitability before retaining or adjusting each observation.

A ● That does not investigate conditions or prices.

B ● Correct. Recorded price alone does not establish the relevant market conditions.

C ● Price size alone is not a sufficient exclusion reason.

D ● A deed does not prove an arm's-length market transaction.

Repair: Screen evidence for the valuation purpose and retain the decision record.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

39. Q2-P7-039 ● Answer C

Derive assessed value from the applicable market value and level before computing the levy.

A ● The percentages have different functions.

B ● That perpetuates the error.

C ● Correct. Applying a level to an already assessed amount repeats the reduction.

D ● That is not the specified assessment base.

Repair: Track each amount's meaning through the formula chain.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

Section P7 Answers and Explanations

Item 40

40. Q2-P7-040 ● Answer D

The legal and evidential validity of the schedule and classification supporting the calculation.

A ● That does not establish the assessment inputs.

B ● Appearance does not verify the schedule or class.

C ● The source and classification remain unresolved.

D ● Correct. Arithmetic accuracy does not establish the validity of its inputs.

Repair: Audit both input authority and mathematical execution.

Lessons 21, 22, 29, 31, 32. Source: S1 RA 7160 sections 199 224–225; S2 RA 12001; S4 original mass-appraisal and tax-control cases.

Apply the repaired reasoning

Choose one wrong or uncertain response and change a decisive fact. State how the new fact affects the answer and why the original answer may no longer fit.

Item _____ Changed fact _____
Effect on reasoning _____
Source or formula to recheck _____

Section P7 Score Record

Name _____ Date _____ Score ____ / 40
Percentage ____% Elapsed time _____ Attempt conditions _____

Set	Correct	Repair priority
A	____ / 8	_____
B	____ / 8	_____
C	____ / 8	_____
D	____ / 8	_____
E	____ / 8	_____

Use the result

Reconstruct each mistaken base, classification, procedure, unit, interpretation or source status. Short set scores are diagnostic prompts rather than calibrated mastery measures.

The nine topic sections contain 400 questions. The two fresh 100-item mocks bring this complete volume to 600. Use the closing lesson index, source register and study records after both attempts.

Section P7 Error Repair Record

Item ID _____ Original answer ____ Correct answer ____

Governing source and date _____

Decisive case fact _____

Base classification unit or document status _____

Correct computation or reasoning _____

Closest distractor and why it fails _____

Relevant lesson _____

Changed-facts retest _____

Next review date and outcome _____

Version discipline

Preserve the item ID and record any editorial correction. Update the choices, key, explanation and source context together. For dated updates, retain the original event context and separately record any later change.

Section P7 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S1 RA 7160 Local Government Code

Sections 198–199, 216–218, 224–226, 229, 231, 233–235, 250–252, 255 and 257 support the identified assessment and RPT rules. Read with later amendments and the specified remedy.

https://lawphil.net/statutes/repacts/ra1991/ra_7160_1991.html

S2 RA 12001 RPVARA

Sections 14–18, 22 and 29–30 support market schedules, effectivity, tax impact, transition and conditional first-year cap and historical amnesty exercises. No blanket current relief eligibility is asserted.

https://lawphil.net/statutes/repacts/ra2024/ra_12001_2024.html

S3 PRC July 2026 appraiser program

Official subject-level structure is the reference. Detailed counts in this book are editorial; the applicable 2027 program and TOS require verification.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

Section P7 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S4 REALEX original assessment cases

Fifteen independent numerical exercises and original model-control scenarios. Supplied rates, exemptions, discounts and eligibility are conditional case inputs rather than a specific LGU bill.

Course routes Lessons 21 22 29 31 and 32

Apply the identified context

Verify the actual local schedule, ordinance, asset facts, data provenance and applicable source edition in a real assignment. Historical questions remain tied to the expressly stated historical source. Recheck changing requirements before a later printing.

Section 8 Geographic Information Systems

QUESTIONNAIRE 2 • Professional Appraisal Practice

20 original four-option questions
Q2-P8-001 to Q2-P8-020 • Version 1.0
2027 Preparation Edition • Prepared 13 October 2026
Russell Famisaran

Use GIS in appraisal as a disciplined way to locate, combine and analyse evidence. These cases test data structures, parcel identity, coordinate systems, measurements, spatial operations and the limits of map-based conclusions.

Instructions

Select one best answer A–D using the stated facts. Complete all 20 items or one named set. Record first or repeated attempt, open or closed book, and elapsed time. Keep the key and explanations closed during the attempt.

Scope and conventions

The topic counts are editorial allocations, not verified official 2027 PRC topic quotas. These are original practice questions rather than actual or recalled licensure questions. Difficulty labels are editorial and are not statistically calibrated.

Carry intermediate precision and round only as stated. Fictional numerical cases supply their own valid rates, classes and conditions. A historical relief question uses its expressly identified period; it does not assert current eligibility. GIS measurements use the supplied units and measurement assumptions.

Book pages	Contents
283–284	Coverage and response sheet
285–289	20 questions
290	Compact key
291–297	Per-option explanations
298–299	Score and error repair
300 onward	Primary sources and currency notes

Section P8 Coverage and Lesson Routes

Set	Items	Competency
A	1–5	Spatial data and record identity
B	6–10	Coordinate systems units and measurements
C	11–15	Spatial operations and interpretation
D	16–20	Evidence quality and disclosure

Lesson route

Primary lessons: 33. Individual explanations carry their own routes and source references.

Before selecting an answer

Identify the asset or record being analysed, the governing source and the precise output requested. Determine whether a percentage applies to market value, assessed value, a tax amount, an area or an index. A date or label alone does not verify the underlying evidence.

Verification record

All 20 stems were compared with the 928 earlier questions in the series. 4 numerical exercises were independently recalculated.

A correct result depends on both valid inputs and valid reasoning. Use the explanations to repair the specific error rather than memorise the position of the correct option.

Section P8 Answer Sheet

Items 1–20 • Version 1.0

Name _____ Date _____
Attempt _____ First / repeated _____
Open / closed book _____ Start _____ Finish _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	6	A B C D	11	A B C D	16	A B C D
2	A B C D	7	A B C D	12	A B C D	17	A B C D
3	A B C D	8	A B C D	13	A B C D	18	A B C D
4	A B C D	9	A B C D	14	A B C D	19	A B C D
5	A B C D	10	A B C D	15	A B C D	20	A B C D

After the attempt

Correct ____ / 20; wrong ____; blank ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson _____

Editorial practice scoring: one point for each correct answer and zero for wrong, blank or multiple responses. Preserve the original attempt before review.

Section P8 Questions

Items 1–4 • Select one best answer.

1. Q2-P8-001 • Set A

A parcel layer contains polygons and a table of parcel IDs. A zoning overlay divides one parcel into two zones. Which representation best retains those spatial parts?

A. A single point that erases the boundary.

B. Polygon features with attributes for the resulting parts.

C. A rent total with no location.

D. One unlocated text note per zone.

2. Q2-P8-002 • Set A

An assessor wants to map continuous elevation across a hillside using a grid of cell values. Which data structure fits that supplied information?

A. An unordered list of taxpayer names.

B. A lease clause table.

C. A raster grid.

D. A single boundary polygon with no values.

3. Q2-P8-003 • Set A

Two sale points share identical coordinates but different verified transaction dates. The import routine removes one solely as a duplicate location. What should be checked?

A. Whether identical location always means identical sale.

B. Whether they represent distinct events at the same property rather than duplicate records.

C. Whether location should be removed from every sale record.

D. Whether both prices can be combined into one sale without dates.

4. Q2-P8-004 • Set A

A join uses parcel-owner names as its only key and links three different parcels owned by the same person incorrectly. What is the better control?

A. Assume every owner has exactly one parcel.

B. Remove parcel IDs and retain names only.

C. Use a verified parcel identifier appropriate to the records and test join cardinality.

D. Sort names alphabetically and call the join unique.

Section P8 Questions

Items 5–8 • Select one best answer.

5. Q2-P8-005 • Set A

A parcel map from 2019 is joined to 2026 values after several subdivisions. The old geometry still displays the parent parcels. What reconciliation is needed?

A. Align parcel histories identifiers and geometry dates with the valuation records.

B. Delete the record dates.

C. Assume the parent and child parcels are interchangeable.

D. Only recolor the old map.

6. Q2-P8-006 • Set B

A desktop map visually aligns layers through on-the-fly transformation. A calculation then treats the source longitude and latitude numbers as metres. What must be resolved?

A. Use the street-label font size as a scale.

B. Assume aligned layers always have identical stored coordinates.

C. Multiply every longitude by the map zoom factor.

D. Use a suitable measurement method and CRS with the correct units rather than infer units from display alignment.

7. Q2-P8-007 • Set B

A known projected-coordinate dataset is wrongly labeled as geographic latitude and longitude. Which operation addresses its metadata error before any genuine transformation?

A. Reproject from the incorrect label without investigation.

B. Change every attribute value to zero.

C. Assign the correct source CRS, then transform if the task requires it.

D. Rename the layer WGS84 without changing its CRS definition.

8. Q2-P8-008 • Set B

A rectangular parcel measures 75 m by 48 m in an appropriate metre-based planar exercise. What area should its attribute record show?

A. 3,600 m^2.

B. 123 m^2.

C. 0.36 m^2.

D. 246 m^2.

Section P8 Questions

Items 9–12 • Select one best answer.

9. Q2-P8-009 • Set B

A polygon's computed area is 18,750 m². What hectare figure is consistent with that supplied area?

A. 1.875 ha.

B. 187.5 ha.

C. 18.75 ha.

D. 0.1875 ha.

10. Q2-P8-010 • Set B

A 1:2,500 printed map shows a 6 cm route. In this scale exercise, what ground distance corresponds to that line?

A. 15 m.

B. 1,500 m.

C. 150 m.

D. 41.67 m.

11. Q2-P8-011 • Set C

A buffer around a clinic identifies parcels within 500 m in straight-line distance. Several have no connected road route to the clinic. What can the buffer result establish?

A. A guaranteed five-minute drive from every parcel.

B. Geometric proximity under the specified distance test, not guaranteed road access.

C. Equal market value for all included parcels.

D. A legal access easement for each parcel.

12. Q2-P8-012 • Set C

A hazard overlay intersects 2,700 m² of a 9,000 m² parcel. What portion is flagged by that supplied overlay?

A. 333.33%.

B. 70%.

C. 3%.

D. 30%.

Section P8 Questions

Items 13–16 • Select one best answer.

13. Q2-P8-013 • Set C

A spatial join counts sales per zone, but sale points on shared boundaries are included in both neighboring zones. What should be specified before interpreting totals?

A. That all shared-boundary sales must be deleted without review.

B. A boundary-assignment rule and a check for double counting.

C. That transaction prices determine coordinate precision automatically.

D. That the sum must be correct because a join completed.

14. Q2-P8-014 • Set C

A parcel overlay produces tiny slivers because two boundary layers have different positional precision. What is the defensible next step?

A. Treat the slivers as proof of encroachment.

B. Publish every sliver as a newly titled parcel.

C. Erase all small parcels from both original layers.

D. Inspect topology accuracy and source tolerances before treating the slivers as real legal parcels.

15. Q2-P8-015 • Set C

A catchment analysis uses straight-line proximity to a ferry terminal but the market depends on actual crossing schedules and road travel. What evidence should augment the map?

A. Only a larger north arrow.

B. A rule that every waterfront parcel has identical access.

C. Only an annual inflation rate.

D. Relevant transport connectivity travel time and operating-service information.

16. Q2-P8-016 • Set D

A geocoding service places a sale at the barangay centroid because its street address is incomplete. The appraiser treats it as a precise parcel location. What should be recorded?

A. That the sale price must equal the barangay average.

B. That the centroid proves the sale occurred at the barangay hall.

C. The location uncertainty and need to verify the actual parcel before parcel-level inference.

D. That map display proves all address fields are complete.

Section P8 Questions

Items 17–20 • Select one best answer.

17. Q2-P8-017 • Set D

A heat map shows high-priced transactions clustered around a new station. Which additional enquiry is needed before claiming the station caused all of the premium?

A. Assume the brightest color proves causation.

B. Infer every nearby unsold property has the same price.

C. Remove transaction dates because location is sufficient.

D. Investigate timing property differences selection and alternative explanations.

18. Q2-P8-018 • Set D

A government parcel viewer displays a boundary line, but a disputed site's survey and title evidence are unresolved. What can the viewer appropriately supply?

A. A final judicial determination of ownership.

B. A spatial reference to investigate with the authoritative property records.

C. Automatic permission to occupy the mapped area.

D. A guarantee of survey accuracy at every zoom.

19. Q2-P8-019 • Set D

A hazard layer is coarse and dated, while the subject's drainage works were recently altered. What should the appraisal report say about the overlay?

A. Identify the layer date resolution and limitations and seek suitable current site evidence.

B. State that an unflagged cell guarantees zero flood risk.

C. Treat every new drain as proof that flooding is impossible.

D. Replace the hazard assessment with a photograph of the cover.

20. Q2-P8-020 • Set D

A parcel map is distributed with names identity numbers and private transaction details unnecessary for the reader's task. What publication control is appropriate?

A. Limit disclosed attributes to what is justified and protect sensitive data under the applicable access rules.

B. Remove all geometry but retain every private identity field.

C. Publish everything because the data have coordinates.

D. Assume software export automatically authorizes publication.

Section P8 Compact Answer Key

Items 1–20 • Check after completing the attempt.

Item	Key	Item	Key	Item	Key	Item	Key
1	B	6	D	11	B	16	C
2	C	7	C	12	D	17	D
3	B	8	A	13	B	18	B
4	C	9	A	14	D	19	A
5	A	10	C	15	D	20	A

Review method

Section percentage = correct / 20 × 100. Review uncertain correct responses as well as wrong responses. Explain why the closest distractor fails under the stated facts.

This section score describes this attempt. It does not determine an official passing result, ranking, actual property value or actual tax liability.

Section P8 Answers and Explanations

Items 1–3

1. Q2-P8-001 ● Answer B

Polygon features with attributes for the resulting parts.

A ● A point alone does not preserve the areal split.

B ● Correct. A polygon representation supports distinct areas and their recorded attributes.

C ● A financial total does not encode the spatial parts.

D ● That does not retain the divided spatial areas.

Repair: Choose geometry appropriate to the feature being analysed.

Lessons 33. Source: S1 QGIS Vector Data; S2 QGIS Raster Data; S6 original GIS data-control cases.

2. Q2-P8-002 ● Answer C

A raster grid.

A ● Names do not define the elevation grid.

B ● That does not encode elevation.

C ● Correct. Cells with elevation values form a raster surface.

D ● That does not represent the varying surface.

Repair: Distinguish continuous grid information from discrete parcel boundaries.

Lessons 33. Source: S1 QGIS Vector Data; S2 QGIS Raster Data; S6 original GIS data-control cases.

3. Q2-P8-003 ● Answer B

Whether they represent distinct events at the same property rather than duplicate records.

A ● Repeated sales can occur at one location.

B ● Correct. Shared coordinates do not establish duplicate transactions.

C ● That discards useful spatial information.

D ● That destroys event identity.

Repair: Define the observation unit before deduplicating.

Lessons 33. Source: S1 QGIS Vector Data; S2 QGIS Raster Data; S6 original GIS data-control cases.

Section P8 Answers and Explanations

Items 4–6

4. Q2-P8-004 ● Answer C

Use a verified parcel identifier appropriate to the records and test join cardinality.

A ● The case explicitly contradicts that assumption.

B ● That preserves the ambiguity.

C ● Correct. Owner names need not uniquely identify parcels.

D ● Sorting does not create uniqueness.

Repair: Use keys that identify the entity actually being joined.

Lessons 33. Source: S1 QGIS Vector Data; S2 QGIS Raster Data; S6 original GIS data-control cases.

5. Q2-P8-005 ● Answer A

Align parcel histories identifiers and geometry dates with the valuation records.

A ● Correct. Different vintages can describe different parcel configurations.

B ● That conceals the mismatch.

C ● Their areas and IDs may differ.

D ● Color does not update parcel identity or boundaries.

Repair: Keep geometry and attribute histories consistent.

Lessons 33. Source: S1 QGIS Vector Data; S2 QGIS Raster Data; S6 original GIS data-control cases.

6. Q2-P8-006 ● Answer D

Use a suitable measurement method and CRS with the correct units rather than infer units from display alignment.

A ● Typography does not determine ground units.

B ● Display transformation need not change source coordinates.

C ● Zoom is not a coordinate-unit conversion.

D ● Correct. Visual alignment does not convert degree coordinates into metre measurements.

Repair: Verify the calculation's CRS and units independently of the display.

Lessons 33. Source: S3 QGIS Coordinate Reference Systems; S6 original measurement exercises.

Section P8 Answers and Explanations

Items 7–9

7. Q2-P8-007 ● Answer C

Assign the correct source CRS, then transform if the task requires it.

A ● That treats the wrong source definition as true.

B ● That does not correct coordinate metadata.

C ● Correct. Correct identification of the existing coordinate system must precede a meaningful transformation.

D ● A name does not repair the spatial reference.

Repair: Distinguish assigning the proper CRS from transforming coordinates.

Lessons 33. Source: S3 QGIS Coordinate Reference Systems; S6 original measurement exercises.

8. Q2-P8-008 ● Answer A

3,600 m².

A ● Correct. Area = 75 × 48 = 3,600 m².

B ● That is the sum of the side lengths, not an area.

C ● That wrongly treats the hectare conversion as square metres.

D ● 246 is the perimeter in metres rather than the area.

Repair: Keep lengths area and unit conversion separate.

Lessons 33. Source: S3 QGIS Coordinate Reference Systems; S6 original measurement exercises.

9. Q2-P8-009 ● Answer A

1.875 ha.

A ● Correct. One hectare is 10,000 m²; 18,750 / 10,000 = 1.875.

B ● That divides by 100.

C ● That divides by 1,000.

D ● That divides by 100,000.

Repair: Use the correct area conversion factor.

Lessons 33. Source: S3 QGIS Coordinate Reference Systems; S6 original measurement exercises.

Section P8 Answers and Explanations

Items 10–12

10. Q2-P8-010 ● Answer C

150 m.

A ● That misses a factor of ten.

B ● That adds a factor of ten.

C ● Correct. 6 × 2,500 = 15,000 cm = 150 m.

D ● That divides rather than multiplies by the scale denominator.

Repair: Convert map length to ground length with consistent units.

Lessons 33. Source: S3 QGIS Coordinate Reference Systems; S6 original measurement exercises.

11. Q2-P8-011 ● Answer B

Geometric proximity under the specified distance test, not guaranteed road access.

A ● Travel time is not provided by the buffer.

B ● Correct. A straight-line buffer does not analyse network connectivity.

C ● The spatial selection does not establish equal value.

D ● Proximity does not create a right.

Repair: Match a spatial result to the operation actually performed.

Lessons 33. Source: S4 QGIS Vector Analysis; S5 QGIS Vector General; S6 original spatial interpretation cases.

12. Q2-P8-012 ● Answer D

30%.

A ● That reverses the ratio.

B ● That is the unflagged remainder.

C ● That loses a factor of ten.

D ● Correct. 2,700 / 9,000 × 100 = 30%.

Repair: Use intersected area over total area for the flagged share.

Lessons 33. Source: S4 QGIS Vector Analysis; S5 QGIS Vector General; S6 original spatial interpretation cases.

Section P8 Answers and Explanations

Items 13–15

13. Q2-P8-013 ● Answer B

A boundary-assignment rule and a check for double counting.

A ● That discards observations rather than defines assignment.

B ● Correct. Spatial predicates and boundary treatment can change counts.

C ● Price does not establish positional accuracy.

D ● Completion does not resolve overlapping membership.

Repair: Document inclusion rules for boundary observations.

Lessons 33. Source: S4 QGIS Vector Analysis; S5 QGIS Vector General; S6 original spatial interpretation cases.

14. Q2-P8-014 ● Answer D

Inspect topology accuracy and source tolerances before treating the slivers as real legal parcels.

A ● The stated source mismatch needs investigation first.

B ● GIS processing does not create title.

C ● Size alone does not establish an error.

D ● Correct. Computational intersections can reflect data mismatch rather than real cadastral objects.

Repair: Separate overlay artifacts from verified boundaries.

Lessons 33. Source: S4 QGIS Vector Analysis; S5 QGIS Vector General; S6 original spatial interpretation cases.

15. Q2-P8-015 ● Answer D

Relevant transport connectivity travel time and operating-service information.

A ● A map symbol does not analyse access.

B ● That conflicts with the access differences.

C ● That does not resolve network and service conditions.

D ● Correct. Geometric proximity alone does not capture the stated access conditions.

Repair: Measure accessibility in the manner relevant to the market.

Lessons 33. Source: S4 QGIS Vector Analysis; S5 QGIS Vector General; S6 original spatial interpretation cases.

Section P8 Answers and Explanations

Items 16–18

16. Q2-P8-016 • Answer C

The location uncertainty and need to verify the actual parcel before parcel-level inference.

A • The position does not establish that value.

B • The centroid is a representative position rather than proof of the address.

C • **Correct.** A centroid match is less precise than a verified parcel match.

D • Rendering does not verify the source address.

Repair: Retain match quality and positional limitations.

Lessons 33. Source: S6 original GIS evidence and disclosure cases; S7 RA 12001 section 22.

17. Q2-P8-017 • Answer D

Investigate timing property differences selection and alternative explanations.

A • Color represents mapped values rather than a causal test.

B • The sales do not establish that universal conclusion.

C • Timing is material to the proposed causal interpretation.

D • **Correct.** A spatial association alone does not isolate a causal price effect.

Repair: Keep mapped patterns distinct from supported causal claims.

Lessons 33. Source: S6 original GIS evidence and disclosure cases; S7 RA 12001 section 22.

18. Q2-P8-018 • Answer B

A spatial reference to investigate with the authoritative property records.

A • The viewer is not that determination.

B • **Correct.** A displayed line does not settle the unresolved boundary and title issues.

C • A map does not grant occupation rights.

D • Display scale does not guarantee source accuracy.

Repair: Use mapping evidence within its provenance and authority.

Lessons 33. Source: S6 original GIS evidence and disclosure cases; S7 RA 12001 section 22.

Section P8 Answers and Explanations

Items 19–20

19. Q2-P8-019 ● Answer A

Identify the layer date resolution and limitations and seek suitable current site evidence.

A ● Correct. A coarse historic layer may not resolve the site's current condition.

B ● Absence of a flag is not that guarantee.

C ● Works require evaluation rather than an absolute inference.

D ● That does not test the condition.

Repair: Check whether source scale and date fit the parcel-level question.

Lessons 33. Source: S6 original GIS evidence and disclosure cases; S7 RA 12001 section 22.

20. Q2-P8-020 ● Answer A

Limit disclosed attributes to what is justified and protect sensitive data under the applicable access rules.

A ● Correct. Spatial usefulness does not require unnecessary disclosure of private attributes.

B ● That does not solve the unnecessary disclosure.

C ● Coordinates do not remove confidentiality obligations.

D ● An export capability is not disclosure authority.

Repair: Check purpose access rights and necessary attributes before sharing.

Lessons 33. Source: S6 original GIS evidence and disclosure cases; S7 RA 12001 section 22.

Section P8 Score Record

Name _____ Date _____ Score ____ / 20
Percentage ____% Elapsed time _____ Attempt conditions _____

Set	Correct	Repair priority
A	____ / 5	_____
B	____ / 5	_____
C	____ / 5	_____
D	____ / 5	_____

Use the result

Reconstruct each mistaken base, classification, procedure, unit, interpretation or source status. Short set scores are diagnostic prompts rather than calibrated mastery measures.

The nine topic sections contain 400 questions. The two fresh 100-item mocks bring this complete volume to 600. Use the closing lesson index, source register and study records after both attempts.

Section P8 Error Repair Record

Item ID _____ Original answer ____ Correct answer ____

Governing source and date _____

Decisive case fact _____

Base classification unit or document status _____

Correct computation or reasoning _____

Closest distractor and why it fails _____

Relevant lesson _____

Changed-facts retest _____

Next review date and outcome _____

Version discipline

Preserve the item ID and record any editorial correction. Update the choices, key, explanation and source context together. For dated updates, retain the original event context and separately record any later change.

Section P8 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S1 QGIS 3.40 Vector Data

Conceptual background for polygon features and attributes. The scenarios are newly authored and do not reproduce software exercises.

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/vector_data.html

S2 QGIS 3.40 Raster Data

Background on cell-based data and continuous surfaces.

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/raster_data.html

S3 QGIS 3.40 Coordinate Reference Systems

Background on projection, units and coordinate-system identification. Measurement cases supply their own planar and scale premises.

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/coordinate_reference_systems.html

Section P8 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S4 QGIS 3.40 Vector Analysis

Spatial-analysis background. A computed spatial selection does not establish legal rights or a property value.

https://docs.qgis.org/3.40/en/docs/user_manual/processing_algs/qgis/vectoranalysis.html

S5 QGIS 3.40 Vector General

Background on spatial joins and predicates. Boundary and multiplicity controls are explicit in the original cases.

https://docs.qgis.org/3.40/en/docs/user_manual/processing_algs/qgis/vectorgeneral.html

S6 REALEX original GIS cases

Twenty original cases and four independently recalculated measurements. Data identity, history, uncertainty and causal-claim controls are editorial applications.

Course route Lesson 33

Section P8 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S7 RA 12001 RPVARA section 22

The property-information system framework includes disclosure and security safeguards. Sharing cases do not assert that all recorded attributes are public.

https://lawphil.net/statutes/repacts/ra2024/ra_12001_2024.html

Apply the identified context

Verify the actual local schedule, ordinance, asset facts, data provenance and applicable source edition in a real assignment. Historical questions remain tied to the expressly stated historical source. Recheck changing requirements before a later printing.

Section 9 Current Events and Valuation Updates

QUESTIONNAIRE 2 • Professional Appraisal Practice

12 original four-option questions
Q2-P9-001 to Q2-P9-012 • Version 1.0
2027 Preparation Edition • Prepared 13 October 2026
Russell Famisaran

Study consequential developments from 2024–2026 using dated primary sources rather than undated headlines. The questions focus on what a reform, index change or standards announcement means for valuation work and what it does not establish by itself.

Instructions

Select one best answer A–D using the stated facts. Complete all 12 items or one named set. Record first or repeated attempt, open or closed book, and elapsed time. Keep the key and explanations closed during the attempt.

Scope and conventions

The topic counts are editorial allocations, not verified official 2027 PRC topic quotas. These are original practice questions rather than actual or recalled licensure questions. Difficulty labels are editorial and are not statistically calibrated.

Reference date 13 October 2026. Keep event date, publication date, proposed status and effective date distinct. Historical questions identify the source window they test; announcements describe their own stated plans rather than guarantee later outcomes.

Book pages	Contents
304–305	Coverage and response sheet
306–308	12 questions
309	Compact key
310–313	Per-option explanations
314–315	Score and error repair
316 onward	Primary sources and currency notes

Section P9 Coverage and Lesson Routes

Set	Items	Competency
A	1–4	Valuation reform and Philippine standards
B	5–8	Lease reform and residential price evidence
C	9–12	Statistical comparability and standards status

Lesson route

Primary lessons: 35. Individual explanations carry their own routes and source references.

Before selecting an answer

Identify the asset or record being analysed, the governing source and the precise output requested. Determine whether a percentage applies to market value, assessed value, a tax amount, an area or an index. A date or label alone does not verify the underlying evidence.

Verification record

All 12 stems were compared with the 928 earlier questions in the series. All twelve update questions identify their dated primary-source context.

A correct result depends on both valid inputs and valid reasoning. Use the explanations to repair the specific error rather than memorise the position of the correct option.

Section P9 Answer Sheet

Items 1–12 • Version 1.0

Name _____ Date _____
Attempt _____ First / repeated _____
Open / closed book _____ Start _____ Finish _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	4	A B C D	7	A B C D	10	A B C D
2	A B C D	5	A B C D	8	A B C D	11	A B C D
3	A B C D	6	A B C D	9	A B C D	12	A B C D

After the attempt

Correct ____ / 12; wrong ____; blank ____; multiple marks ____.
Uncertain item IDs _____
Priority lesson _____

Editorial practice scoring: one point for each correct answer and zero for wrong, blank or multiple responses. Preserve the original attempt before review.

Section P9 Questions

Items 1–4 • Select one best answer.

1. Q2-P9-001 • Set A

Under RPVARA's reform framework reviewed on 13 October 2026, an assessor argues that a higher approved SMV necessarily fixes the final RPT bill without reviewing levels or rates. Which current-policy distinction is needed?

A. An approved SMV abolishes every local tax.

B. An approved SMV is only a private advertising price.

C. Every SMV increase requires the same percentage bill increase.

D. Valuation reform and tax-liability computation have separate steps, including the tax-impact process.

2. Q2-P9-002 • Set A

A historical application concerns the RPVARA amnesty as governed by the original 2025 IRR. Which stated end date of that original window should a 2026 study note record?

A. An indefinite period while principal is unpaid.

B. 5 July 2026.

C. 31 December 2025.

D. 5 July 2027.

3. Q2-P9-003 • Set A

BIR RMC 30-2025 circulated the implementing rules for RA 12001. A reviewer treats those IRR as a replacement Act enacted by BIR. What distinction is needed?

A. The IRR replace every unrelated real-estate law.

B. A memorandum circular automatically repeals the Constitution.

C. Implementing rules operationalise the Act and must be read with their enabling statute.

D. Only the circular's filename has legal relevance.

4. Q2-P9-004 • Set A

BLGF's official online catalogue now supplies the Philippine Valuation Standards third edition. A study note cites only an unspecified PVS edition. What update best supports reproducible study?

A. Assume edition numbers are a property-value formula.

B. Identify and consult the third-edition text and record the particular applicable provisions and date.

C. Discard Philippine standards because IVS also exist.

D. Rename an older PDF third edition without checking content.

Section P9 Questions

Items 5–8 • Select one best answer.

5. Q2-P9-005 • Set B

RA 12252's 2025 amendment permits an aggregate private-land lease period up to 99 years for qualifying foreign investors, subject to conditions. Which valuation implication is correct?

A. Value the actual eligible lease rights and term rather than treating the maximum as automatic land ownership.

B. A 99-year lease and freehold are legally identical.

C. Every foreign individual automatically acquires a 99-year lease on any land.

D. Every existing lease is automatically extended to 99 years.

6. Q2-P9-006 • Set B

For a lease governed by amended RA 7652 after RA 12252, a forecast assumes an unregistered long-term contract binds third persons automatically. Which reform provision should be checked?

A. The appraiser's spreadsheet substitutes for registration.

B. The maximum lease period removes every registration requirement.

C. Payment of one month's rent proves a registered lease.

D. Registration is the operative act rendering the long-term lease binding against third persons.

7. Q2-P9-007 • Set B

BSP's June 2025 transition replaced RREPI with RPPI. A 2026 market note interprets an RPPI movement as the verified price change of one specific subject house. Which correction is needed?

A. Every house necessarily changes by precisely the national index rate.

B. RPPI directly measures every office rent.

C. An aggregate residential price index must be assessed for coverage and relevance before subject-level use.

D. RPPI is a land title register.

8. Q2-P9-008 • Set B

The BSP RPPI technical description identifies a hedonic regression approach using bank housing-loan data. What limitation follows when studying cash-only transactions?

A. Bank-loan data must include every unfinanced purchase.

B. Coverage and representativeness need examination before assuming the bank-loan sample describes every cash sale.

C. Hedonic regression guarantees zero sampling limitation.

D. Cash-only sales cannot have market prices.

Section P9 Questions

Items 9–12 • Select one best answer.

9. Q2-P9-009 • Set C

A 2026 analyst splices an old RREPI series into RPPI without checking the BSP methodology comparison. What verification is needed?

A. Convert both indices into pesos simply by adding currency symbols.

B. Discard every observation before the new name.

C. Assume renamed series always have identical methods.

D. Check changes in methodology coverage and comparability before interpreting the combined trend.

10. Q2-P9-010 • Set C

The IVSC announcement dated 30 January 2026 described an exposure draft for a later IVS edition. Which status should a 2026 study note assign to that identified document?

A. A property-specific appraisal conclusion.

B. An Act passed by the Philippine Congress.

C. Proposed amendments issued for consultation rather than already effective requirements.

D. A standard already effective from January 2026.

11. Q2-P9-011 • Set C

According to that same IVSC 30 January 2026 announcement, the next edition was planned for issue in January 2027 and effectivity from January 2028. What distinction matters when preparing for a 2027 examination?

A. Planned issuance and effective application are different dates; confirm the final applicable edition and exam scope.

B. The announcement guarantees the 2027 PRC syllabus.

C. The proposed effective date means every 2027 answer must use the draft.

D. Issuance and effectivity must always occur on the same day.

12. Q2-P9-012 • Set C

The July 2026 PRC appraiser program assigns two examination subjects equal weight. A reviewer labels this book's 40-question assessment allocation as an official 2027 PRC topic quota. What must be corrected?

A. The subject-level program and the book's editorial topic allocation must be distinguished, with 2027 scope separately verified.

B. A 2026 program automatically guarantees every future program is identical.

C. Every chapter count is fixed by the cover title.

D. The two subjects therefore have no listed scope.

Section P9 Compact Answer Key

Items 1–12 • Check after completing the attempt.

Item	Key	Item	Key	Item	Key	Item	Key
1	D	4	B	7	C	10	C
2	B	5	A	8	B	11	A
3	C	6	D	9	D	12	A

Review method

Section percentage = correct / 12 × 100. Review uncertain correct responses as well as wrong responses. Explain why the closest distractor fails under the stated facts.

This section score describes this attempt. It does not determine an official passing result, ranking, actual property value or actual tax liability.

Section P9 Answers and Explanations

Items 1–3

1. Q2-P9-001 ● Answer D

Valuation reform and tax-liability computation have separate steps, including the tax-impact process.

A ● The reform does not establish that abolition.

B ● It has a statutory valuation role.

C ● Levels rates and applicable safeguards also matter.

D ● Correct. Sections 17–18 link approved schedules with assessment and tax decisions rather than equate a schedule with a final bill.

Repair: Track reform from valuation through the applicable liability rules.

Lessons 35. Source: S1 RA 12001; S2 BIR RMC 30-2025 and RPVARA IRR; S3 BLGF PVS third edition.

2. Q2-P9-002 ● Answer B

5 July 2026.

A ● The original window was finite.

B ● Correct. The identified IRR states that date; this is a question about the original window, not a claim about any later extension.

C ● That is not the stated end date.

D ● That is not the original IRR date.

Repair: Date historical relief rules and verify later changes separately.

Lessons 35. Source: S1 RA 12001; S2 BIR RMC 30-2025 and RPVARA IRR; S3 BLGF PVS third edition.

3. Q2-P9-003 ● Answer C

Implementing rules operationalise the Act and must be read with their enabling statute.

A ● The source does not support that conclusion.

B ● That does not follow from an administrative circular.

C ● Correct. Circulation of IRR does not transform them into a new Act of Congress.

D ● Substance authority and statutory consistency matter.

Repair: Distinguish the statute implementing rules and circulation instrument.

Lessons 35. Source: S1 RA 12001; S2 BIR RMC 30-2025 and RPVARA IRR; S3 BLGF PVS third edition.

Section P9 Answers and Explanations

Items 4–6

4. Q2-P9-004 ● Answer B

Identify and consult the third-edition text and record the particular applicable provisions and date.

A ● An edition number is not a valuation input.

B ● Correct. An edition-specific reference lets the reader verify the material; later availability alone does not justify assuming every provision changed.

C ● Their governing roles still require review.

D ● A label does not update its substance.

Repair: Use identifiable current source editions rather than generic labels.

Lessons 35. Source: S1 RA 12001; S2 BIR RMC 30-2025 and RPVARA IRR; S3 BLGF PVS third edition.

5. Q2-P9-005 ● Answer A

Value the actual eligible lease rights and term rather than treating the maximum as automatic land ownership.

A ● Correct. The statutory ceiling concerns lease tenure under conditions, not a conveyance of ownership.

B ● Different interests should not be collapsed.

C ● Eligibility and an actual contract remain necessary.

D ● The ceiling does not by itself rewrite each contract.

Repair: Separate statutory maximum from contracted tenure and ownership.

Lessons 35. Source: S4 RA 12252 sections 2–3; S5 BSP RPPI overview technical notes and June 2025 transition.

6. Q2-P9-006 ● Answer D

Registration is the operative act rendering the long-term lease binding against third persons.

A ● A valuation model is not the operative registration act.

B ● The amendment expressly addresses registration.

C ● Payment alone does not establish registration.

D ● Correct. Section 4-A addresses this effect of registration; appraisal must investigate the actual instrument status.

Repair: Verify the right's operative record and status.

Lessons 35. Source: S4 RA 12252 sections 2–3; S5 BSP RPPI overview technical notes and June 2025 transition.

Section P9 Answers and Explanations

Items 7–9

7. Q2-P9-007 ● Answer C

An aggregate residential price index must be assessed for coverage and relevance before subject-level use.

A ● Aggregation does not establish uniform parcel-level changes.

B ● It is a residential price index.

C ● Correct. An index movement is not an individual-house appraisal.

D ● It measures prices rather than legal ownership.

Repair: Use an index as contextual evidence with suitable subject analysis.

Lessons 35. Source: S4 RA 12252 sections 2–3; S5 BSP RPPI overview technical notes and June 2025 transition.

8. Q2-P9-008 ● Answer B

Coverage and representativeness need examination before assuming the bank-loan sample describes every cash sale.

A ● The source definition does not establish that inclusion.

B ● Correct. The identified source universe is not an automatic census of cash-only transactions.

C ● A method does not remove every coverage issue.

D ● They can have prices even if outside the stated dataset.

Repair: Check source coverage as well as statistical method.

Lessons 35. Source: S4 RA 12252 sections 2–3; S5 BSP RPPI overview technical notes and June 2025 transition.

9. Q2-P9-009 ● Answer D

Check changes in methodology coverage and comparability before interpreting the combined trend.

A ● Index numbers are not property prices.

B ● Earlier evidence may remain useful with proper comparability treatment.

C ● The transition explicitly warrants checking methodological differences.

D ● Correct. A shared residential-price subject does not establish identical statistical construction.

Repair: Document breaks and comparability when combining published series.

Lessons 35. Source: S5 BSP RPPI methodology comparison; S6 IVSC announcement 30 January 2026; S7 PRC July 2026 program.

Section P9 Answers and Explanations

Items 10–12

10. Q2-P9-010 ● Answer C

Proposed amendments issued for consultation rather than already effective requirements.

A ● The draft concerns standards rather than one property's value.

B ● IVSC's standards consultation is not Philippine legislation.

C ● Correct. The announcement identifies a consultation draft and a later effective-date plan.

D ● That is not the status in the identified announcement.

Repair: Record draft status separately from effective standards.

Lessons 35. Source: S5 BSP RPPI methodology comparison; S6 IVSC announcement 30 January 2026; S7 PRC July 2026 program.

11. Q2-P9-011 ● Answer A

Planned issuance and effective application are different dates; confirm the final applicable edition and exam scope.

A ● Correct. Publication planning does not itself establish what edition the exam will require.

B ● IVSC does not establish that PRC exam program.

C ● That does not follow from the announcement.

D ● The stated plan distinguishes them.

Repair: Verify final standards status and the actual examination scope.

Lessons 35. Source: S5 BSP RPPI methodology comparison; S6 IVSC announcement 30 January 2026; S7 PRC July 2026 program.

12. Q2-P9-012 ● Answer A

The subject-level program and the book's editorial topic allocation must be distinguished, with 2027 scope separately verified.

A ● Correct. Equal subject weights do not establish this book's detailed topic counts or a future program.

B ● Future requirements need verification.

C ● A book title is not an official allocation.

D ● The program identifies subject scope despite not validating these editorial counts.

Repair: Keep official source scope separate from editorial practice design.

Lessons 35. Source: S5 BSP RPPI methodology comparison; S6 IVSC announcement 30 January 2026; S7 PRC July 2026 program.

Section P9 Score Record

Name _____ Date _____ Score ____ / 12
Percentage ____% Elapsed time _____ Attempt conditions _____

Set	Correct	Repair priority
A	____ / 4	_____
B	____ / 4	_____
C	____ / 4	_____

Use the result

Reconstruct each mistaken base, classification, procedure, unit, interpretation or source status. Short set scores are diagnostic prompts rather than calibrated mastery measures.

The nine topic sections contain 400 questions. The two fresh 100-item mocks bring this complete volume to 600. Use the closing lesson index, source register and study records after both attempts.

Section P9 Error Repair Record

Item ID _____ Original answer ____ Correct answer ____

Governing source and date _____

Decisive case fact _____

Base classification unit or document status _____

Correct computation or reasoning _____

Closest distractor and why it fails _____

Relevant lesson _____

Changed-facts retest _____

Next review date and outcome _____

Version discipline

Preserve the item ID and record any editorial correction. Update the choices, key, explanation and source context together. For dated updates, retain the original event context and separately record any later change.

Section P9 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S1 RA 12001 valuation reform

2024 reform framework read as of 13 October 2026. Valuation schedules and the assessment and tax decisions based on them remain distinct steps.

https://lawphil.net/statutes/repacts/ra2024/ra_12001_2024.html

S2 RPVARA IRR and BIR RMC 30 2025

BIR circular dated 7 April 2025 circulates the IRR. Section 56 of the original IRR identifies 5 July 2026 as the historical amnesty deadline; item 2 expressly tests that original window rather than any later extension.

https://bir-cdn.bir.gov.ph/BIR/pdf/RMC%20No.%2030-2025v2.pdf

S3 PVS third edition and DOF introduction

Official BLGF online edition identifies the third edition, first printing 2025, incorporating IVS 2025. DOF speech delivered 5 November 2025 and published 6 November introduces PVS third edition, Local Assessment Manual and Mass Appraisal Guidebook second edition.

https://www.dof.gov.ph/blgfs-lgu-finance-performance-awarding-electronic-or-valuation-launch/

Section P9 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S4 RA 12252 Investors Lease Act amendment

2025 amendment establishes a conditional aggregate ceiling of 99 years and the operative effect of registration for third persons. These questions do not determine a specific investor contract eligibility.

https://www.lawphil.net/statutes/repacts/ra2025/ra_12252_2025.html

S5 BSP RPPI and methodology transition

June 2025 transition from RREPI to RPPI. Official overview describes quarterly residential-price measurement based on bank housing-loan data and hedonic regression. Technical notes and comparison support coverage and comparability enquiries.

https://www.bsp.gov.ph/Pages/MediaAndResearch/PublicationsAndReports/RPPI.aspx

S6 IVSC announcement 30 January 2026

The identified announcement describes consultation from 30 January to 30 April 2026 and planned issue in January 2027 and effectivity from January 2028. Items 10–11 test the status and plan in that dated announcement.

https://ivsc.org/ivs-exposure-draft-published-for-consultation/

Section P9 Sources and Currency Notes

Reference date 13 October 2026. The cited sources provide rules or conceptual background; all scenarios, options and explanations are independently authored.

S7 PRC July 2026 program

Official subject-level structure; this book does not claim its editorial topic counts are official quotas. The applicable 2027 program remains to be verified.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

S8 REALEX original dated update cases

Twelve original items routed to Lesson 35. Recheck their sources before a later printing and preserve dates and document status.

Course route Lesson 35

Apply the identified context

Verify the actual local schedule, ordinance, asset facts, data provenance and applicable source edition in a real assignment. Historical questions remain tied to the expressly stated historical source. Recheck changing requirements before a later printing.

Mock Examination A

QUESTIONNAIRE 2 • Professional Appraisal Practice

100 fresh four-option questions
Q2-MA-001 to Q2-MA-100 • Version 1.0
2027 Preparation Edition • Prepared 13 October 2026
Russell Famisaran

This mixed-topic form tests methods, research, mathematical execution, reporting, asset boundaries, assessment and spatial and dated evidence. All questions are newly authored; the earlier 1,000 questions in the series and the other mock form are excluded from this authoring set.

Attempt instructions

Select one best answer A–D under the stated facts. Suggested closed-book practice duration is 240 minutes, corresponding to the four-hour Professional Appraisal Practice session in the published 2026 program. This is an editorial 100-item simulation; no official examination item count or 2027 topic quota is asserted. [R11]

Record attempt conditions and elapsed time. Keep solutions and the diagnostic map closed until completion. Editorial scoring is one point for correct and zero for wrong, blank or multiple responses. Preserve the initial response sheet before review.

Calculation conventions

41 numerical items have independent checks. Carry precision and round only as stated. Fictional rates, rights, tax conditions and technical inputs are supplied case premises. NOI precedes debt service and owner income tax. Historical updates retain their stated dates and document status.

Book pages	Contents
320	Topic coverage and conventions
321–322	Response sheets
323–347	100 mixed questions
348–349	Compact answer keys
350–374	Per-option explanations
375–377	Scores diagnostic map and error repair
378–382	Selected sources and currency notes

Mock Examination A Coverage and Conventions

Topic	Coverage	Items
P1	Appraisal Approaches	25
P2	Valuation Procedures and Research	12
P3	Practical Appraisal Mathematics	15
P4	Appraisal Report Writing	10
P5	Machinery and Equipment	10
P6	Cases and Specialized Valuation	10
P7	Assessment and Tax Application	10
P8	Geographic Information Systems	5
P9	Current Events	3

Simulation scope

Topic allocations follow the agreed editorial blueprint. The form simulates Professional Appraisal Practice separately from Questionnaire 1 Fundamentals. Printed question pages omit topic and lesson labels; explanations restore them for diagnostic review.

Keep the premises visible

Identify what is valued or measured before selecting a formula. Match asset boundaries, income definitions, time periods, rights and data units. A calculation does not establish permission, title, source accuracy or an unconditional market-value opinion.

Interpret performance

Intended difficulty is 25 easy, 50 moderate and 25 hard items based on editorial judgment. The forms are not psychometrically calibrated or demonstrated equivalent. Compare topic errors and reasoning rather than treating a score difference as an exact ability change.

Mock Examination A Answer Sheet

Items 1–50 • Version 1.0

Name _____ Date _____
First / repeated _____ Open / closed book _____
Started _____ Finished _____ Elapsed _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	14	A B C D	27	A B C D	40	A B C D
2	A B C D	15	A B C D	28	A B C D	41	A B C D
3	A B C D	16	A B C D	29	A B C D	42	A B C D
4	A B C D	17	A B C D	30	A B C D	43	A B C D
5	A B C D	18	A B C D	31	A B C D	44	A B C D
6	A B C D	19	A B C D	32	A B C D	45	A B C D
7	A B C D	20	A B C D	33	A B C D	46	A B C D
8	A B C D	21	A B C D	34	A B C D	47	A B C D
9	A B C D	22	A B C D	35	A B C D	48	A B C D
10	A B C D	23	A B C D	36	A B C D	49	A B C D
11	A B C D	24	A B C D	37	A B C D	50	A B C D
12	A B C D	25	A B C D	38	A B C D		
13	A B C D	26	A B C D	39	A B C D		

Attempt notes

Correct ____ / 50; wrong ____; blank ____; multiple marks ____.
Uncertain items _____
Working-paper reference _____

Mark one choice per item. Check against this exact form and version after the full attempt.

Mock Examination A Answer Sheet

Items 51–100 • Version 1.0

Name _____ Date _____
First / repeated _____ Open / closed book _____
Started _____ Finished _____ Elapsed _____

Item	Response	Item	Response	Item	Response	Item	Response
51	A B C D	64	A B C D	77	A B C D	90	A B C D
52	A B C D	65	A B C D	78	A B C D	91	A B C D
53	A B C D	66	A B C D	79	A B C D	92	A B C D
54	A B C D	67	A B C D	80	A B C D	93	A B C D
55	A B C D	68	A B C D	81	A B C D	94	A B C D
56	A B C D	69	A B C D	82	A B C D	95	A B C D
57	A B C D	70	A B C D	83	A B C D	96	A B C D
58	A B C D	71	A B C D	84	A B C D	97	A B C D
59	A B C D	72	A B C D	85	A B C D	98	A B C D
60	A B C D	73	A B C D	86	A B C D	99	A B C D
61	A B C D	74	A B C D	87	A B C D	100	A B C D
62	A B C D	75	A B C D	88	A B C D		
63	A B C D	76	A B C D	89	A B C D		

Attempt notes

Correct ____ / 50; wrong ____; blank ____; multiple marks ____.
Uncertain items _____
Working-paper reference _____

Mark one choice per item. Check against this exact form and version after the full attempt.

Mock Examination A Questions

Items 1–4 • Select one best answer.

1. Q2-MA-001

A July 2026 PRC program lists Professional Appraisal Practice as one four-hour subject with 50% weight. What can this book's 100-item mock accurately claim?

A. That every future licensure form must use these exact 100 questions.

B. That a mock score guarantees licensure ranking.

C. That the mock's topic counts are the official 2027 TOS.

D. An editorial simulation of that subject, with its own topic counts and scoring conventions.

2. Q2-MA-002

A reported cost schedule adds land ₱2.8m to new building cost ₱7.2m less losses ₱1.6m. The summary accidentally states ₱10m. What corrected cost indication follows?

A. ₱10 million.

B. ₱8.4 million.

C. ₱11.6 million.

D. ₱5.6 million.

3. Q2-MA-003

A draft applies a material planning approval assumption not established by the evidence. Where should the reader be able to understand it?

A. Nowhere if the spreadsheet calculates correctly.

B. Only after the report is relied upon.

C. Only in a private formula tooltip.

D. In the report's stated assumptions and their relevant effect on analysis and conclusion.

4. Q2-MA-004

Supported property NOI is ₱1.68m and the compatible direct-cap rate is 8%. A draft deducts an owner's loan balance from the capitalization result and calls it property value. What property indication follows before that owner-equity deduction?

A. ₱13.44 million.

B. ₱21 million.

C. ₱134,400.

D. ₱1.68 million.

Mock Examination A Questions

Items 5–8 • Select one best answer.

5. Q2-MA-005

A property's annual NOI is ₱960,000 and annual debt service ₱640,000. What DSCR follows?

A. 0.667.

B. 1.50.

C. ₱320,000.

D. 1.60.

6. Q2-MA-006

A 2026 housing note cites BSP RPPI as though it were the previous RREPI unchanged except for typography. What dated development requires attention?

A. All index values were converted into individual house prices.

B. The June 2025 transition to RPPI and its methodology and coverage comparison.

C. The change proves every cash purchase is in the loan-based sample.

D. The index became a nationwide register of titles.

7. Q2-MA-007

A modern substitute delivers the same required storage service as an older ornate warehouse. The client requests equivalent-utility cost, not a heritage replica. Which cost premise fits?

A. Reproduce all ornamental details regardless of utility.

B. Set the cost equal to forecast annual rent.

C. A supported replacement providing the required utility.

D. Use the original invoice without updating prices.

8. Q2-MA-008

A production system includes owned machines and a leased control module indispensable to operation. The instruction covers the owned assets only. What analysis is needed?

A. Value the module as owned because it is essential.

B. Ignore dependency because the module is excluded from ownership.

C. Recognise dependency and investigate access to the leased module without adding its ownership to the subject.

D. Value only the module and omit owned machinery.

Mock Examination A Questions

Items 9–12 • Select one best answer.

9. Q2-MA-009

Recent sale evidence is sparse, but older transactions can be verified and related to the valuation date. What comparison strategy is defensible?

A. Use old prices unchanged because they are verified.

B. Investigate relevance and supported market changes before deciding how much weight to give the older evidence.

C. Replace sales with current asking prices without verification.

D. Reject all transactions older than one month universally.

10. Q2-MA-010

A valuation is prepared for lending, but its executive summary says it is a tax assessment and quotes assessed value as the lending conclusion. What needs alignment?

A. The intended use value basis subject and stated conclusion.

B. Only its logo.

C. Only the borrower's signature block.

D. Only the number of pages.

11. Q2-MA-011

A machinery assignment describes only a pump's brand, omitting model capacity serial number and location. What identification work is needed?

A. Treat all pumps of that brand as identical.

B. Use the owner's preferred sale price to identify the unit.

C. Establish the actual unit and relevant specification before selecting valuation evidence.

D. Assume a generic photograph proves the serial number.

12. Q2-MA-012

A case conclusion depends on cleanup works and an operating licence that remain unverified. The client wants the calculation relabeled unconditional because its formula passed QA. What should remain clear?

A. That all assumptions may be omitted once the total is rounded.

B. The conclusion's dependence on unresolved material facts and assumptions.

C. That the highest scenario removes the evidence gap.

D. That formula QA proves the licence exists.

Mock Examination A Questions

Items 13–16 • Select one best answer.

13. Q2-MA-013

A defect repair costs ₱180,000 now and produces a supported current property-value benefit of ₱250,000. In this supplied economic-curability test, what net benefit follows?

A. ₱70,000.

B. A ₱70,000 net loss.

C. ₱430,000.

D. ₱250,000.

14. Q2-MA-014

For observations 8, 10, 12 and 14, what population variance follows?

A. 20.

B. 2.236.

C. 5.

D. 6.667.

15. Q2-MA-015

A purchase requires ₱420,000 now and pays ₱550,000 in one year. At a required 10% return, what NPV follows?

A. ₱130,000.

B. ₱80,000.

C. ₱500,000.

D. ₱50,000.

16. Q2-MA-016

A research team contacts 240 eligible agents and receives 84 usable replies. For a simple usable-response proportion, what result follows?

A. 84%.

B. 28.57%.

C. 35%.

D. 65%.

Mock Examination A Questions

Items 17–20 • Select one best answer.

17. Q2-MA-017

Hotel room receipts are forecast under operator assumptions. A property lease benchmark uses fixed annual rent. What must be aligned before comparing the two indications?

A. Only the currency symbol.

B. The economic subject cash-flow definition risk and operating obligations.

C. Only the number of forecast rows.

D. Only the hotel's star rating.

18. Q2-MA-018

A supplied two-year property forecast pays ₱550,000 at year 1 end and ₱6.05m at year 2 end, including disposal proceeds. At 10%, what present value follows?

A. ₱5.5 million.

B. ₱6 million.

C. ₱5 million.

D. ₱6.6 million.

19. Q2-MA-019

In a stipulated land-residual exercise, total property NOI is ₱1.5m, required building income is ₱900,000 and the land capitalization rate is 6%. What land indication follows?

A. ₱25 million.

B. ₱10 million.

C. ₱15 million.

D. ₱600,000.

20. Q2-MA-020

An amnesty exercise stipulates a timely section 30 application, but the property was already disposed of at auction for its RPT delinquency. What eligibility issue remains?

A. The highest current sale price controls eligibility.

B. The principal is automatically erased despite the exclusion.

C. The property's area determines whether an auction occurred.

D. The statutory auction-disposal exclusion.

Mock Examination A Questions

Items 21–24 • Select one best answer.

21. Q2-MA-021

A supplied polygon has area 6,400 m² and overlaps a zone over 2,240 m². What zone-covered share follows?

A. 35%.

B. 285.71%.

C. 65%.

D. 28.57%.

22. Q2-MA-022

A tenant's specialised fit-out has useful service life beyond lease expiry, but renewal is not part of the stated rights. What terminal-benefit enquiry is needed?

A. Treat remaining fit-out life as the property's mortgage term.

B. Determine which removal compensation or renewal benefits actually belong to the tenant under the supplied terms.

C. Extend the lease to the fit-out life automatically.

D. Give the tenant the landlord's full reversion.

23. Q2-MA-023

A DCF expresses receipts and costs in constant purchasing-power pesos but discounts them at a nominal rate including inflation. What consistency issue arises?

A. Nominal and real rates are necessarily identical.

B. Constant-peso forecasts never need discounting.

C. Add inflation to both receipts and the discount result after modelling.

D. Real cash flows need a compatible real discount-rate treatment or a consistent nominal conversion.

24. Q2-MA-024

A replacement gives the required service for ₱2.5m; recreating an obsolete control design costs ₱3.4m. In this supplied equivalent-utility comparison, what excess recreation cost is identified?

A. ₱2.5 million.

B. ₱3.4 million.

C. ₱5.9 million.

D. ₱900,000.

Mock Examination A Questions

Items 25–28 • Select one best answer.

25. Q2-MA-025

A report uses a local hazard screen to state that the parcel has a quantified 12% value loss, but no market or model evidence supports that percentage. What should be revised?

A. Separate the observed screen result from any supported economic effect and remove the unsupported quantified claim.

B. Delete all hazard discussion even if material.

C. Round the deduction to 10% to solve the problem.

D. Retain 12% because a precise number sounds reliable.

26. Q2-MA-026

Three independently verified unit rates are ₱28,000, ₱31,000 and ₱120,000 per m². What median is a correct descriptive statistic before investigating the high observation?

A. ₱59,666.67 per m².

B. ₱120,000 per m².

C. ₱31,000 per m².

D. ₱28,000 per m².

27. Q2-MA-027

A machinery valuation model uses total business profit, even though it includes a patent and customer network not within the instruction. What allocation review is needed?

A. Deduct only the owner's personal spending.

B. Separate benefits attributable to the subject machinery from excluded assets.

C. Use total annual profit as replacement cost.

D. Allocate every business benefit to machinery because it produces output.

28. Q2-MA-028

A raster's stated square cells each measure 20 m by 20 m. Twelve complete flagged cells are counted in a stipulated nonoverlapping planar exercise. What flagged area follows?

A. 240 m².

B. 9,600 m².

C. 4,800 m².

D. 400 m².

Mock Examination A Questions

Items 29–32 • Select one best answer.

29. Q2-MA-029

A one-variable sensitivity table changes only the exit cap rate and reports the resulting value range. What does that table establish?

A. The legal permissibility of the development.

B. The model's response to those stipulated cap-rate changes.

C. A guaranteed minimum sale price.

D. The likelihood of each value outcome.

30. Q2-MA-030

An asset acquired for ₱800,000 yields ₱80,000 annual net cash plus an unchanged ₱800,000 resale amount at year 1 end. What one-year holding-period return follows?

A. 10%.

B. 0%.

C. 8%.

D. 110%.

31. Q2-MA-031

A government-owned parcel is leased for the beneficial use of a taxable private operator. A clerk grants exemption solely from government ownership. Which section 234(a) issue requires review?

A. Every government-owned parcel is exempt regardless of beneficial use.

B. The operator's company logo proves the exemption.

C. The lease automatically transfers government land ownership.

D. The exception concerning beneficial use granted to a taxable person.

32. Q2-MA-032

A ₱900,000 loan has a stipulated 12% nominal annual interest rate payable monthly and no principal reduction during the first month. What first-month interest follows?

A. ₱75,000.

B. ₱9,000.

C. ₱10,800.

D. ₱108,000.

Mock Examination A Questions

Items 33–36 • Select one best answer.

33. Q2-MA-033

Two owners hold unequal shares with different control terms. A draft assigns half of whole-property value to each because there are two names on title. What should be investigated?

A. The actual shares control and transfer conditions of the specified interests.

B. A universal 50% illiquidity discount.

C. A universal equal split for every joint record.

D. Only the alphabetic order of their surnames.

34. Q2-MA-034

A research spreadsheet selects the highest sale after its location code was mistyped into the preferred submarket. What validation would address the error?

A. Remove every high sale permanently.

B. Treat every typed code as authoritative.

C. Reconcile location coding with verified property identity before sample selection.

D. Select solely by price to avoid location codes.

35. Q2-MA-035

A tax bill's arithmetic is correct, but its assessed-value input belongs to a neighboring parcel with a similar street address. What is the priority repair?

A. Apply a universal 50% discount.

B. Round the total to conceal the discrepancy.

C. Use whichever neighboring bill is lower.

D. Reconcile parcel identity and replace the mismatched assessment input through the proper records process.

36. Q2-MA-036

A supplied machinery model starts with installed cost ₱4m and deducts independent loss amounts ₱600,000 physical and ₱400,000 functional. What remaining amount follows?

A. ₱5 million.

B. ₱3.6 million.

C. ₱3 million.

D. ₱3.4 million.

Mock Examination A Questions

Items 37–40 • Select one best answer.

37. Q2-MA-037

An instruction values a portfolio at one date, but three inspectors visit in different months. What research control is needed?

A. Relate observed conditions and intervening changes to the common valuation date.

B. Use a different valuation date for each asset without amending scope.

C. Treat all photographs as simultaneous because they share a folder.

D. Delete inspection dates from the workfile.

38. Q2-MA-038

A signed report is corrected after issue because a material formula error was discovered. What revision control supports reliable use?

A. Identify the corrected version affected amount and reason, and manage supersession of the earlier report.

B. Overwrite the file silently while retaining its old version label.

C. Delete all earlier evidence of the calculation.

D. Change only the filename while leaving the wrong amount.

39. Q2-MA-039

A broker repeats another broker's unverified price claim, and the workfile lists them as two independent transaction confirmations. What source issue needs correction?

A. Two speakers always establish independent verification.

B. The repeated amount must be deleted even if later verified.

C. Average the speakers' names to establish credibility.

D. Both accounts may trace to the same unsupported origin and should not be counted as independent confirmation.

40. Q2-MA-040

A production line's market evidence concerns detached equipment, while the subject is valued installed and operational. What comparison issue is material?

A. Add the whole factory land value to every detached machine price.

B. Use installation cost as proof that the line is profitable.

C. Detached and operational prices are interchangeable automatically.

D. Removal installation commissioning and operating-premise differences.

Mock Examination A Questions

Items 41–44 • Select one best answer.

41. Q2-MA-041

A supplied first-year eligible RPVARA case has old basic tax ₱15,000 and a new uncapped basic amount ₱18,500. What section 29 maximum payable basic amount follows under the stipulated baseline?

A. ₱18,500.

B. ₱15,900.

C. ₱900.

D. ₱15,000.

42. Q2-MA-042

A coordinate file's metadata says its values are metres, but its actual geographic coordinates were mislabeled. What is needed before distance analysis?

A. Trust the label because the file opens.

B. Multiply all values by 1,000 without identifying the source.

C. Identify the true source CRS and correct the assignment before any required transformation.

D. Use parcel market price as the conversion factor.

43. Q2-MA-043

An appraisal report gives a value amount but omits whether the subject is the freehold or the owner's interest under an existing lease. What reporting repair is necessary?

A. Delete all lease references while retaining contractual rent.

B. State the specific property interest and align the analysis and conclusion with it.

C. Add the property's postcode and leave the interest unspecified.

D. Label both interests identical without reviewing the lease.

44. Q2-MA-044

A contractor's cost estimate already includes its overhead and profit. The appraiser adds that same contractor margin again under a different label. What should be checked?

A. Whether contractor and developer profits are always identical.

B. Whether all contractor profit should be eliminated.

C. Whether the added margin duplicates an existing cost component.

D. Whether the duplicate becomes land value automatically.

Mock Examination A Questions

Items 45–48 • Select one best answer.

45. Q2-MA-045

A supplied valid city bill has basic RPT ₱24,000 at 2% and SEF ₱12,000 at 1%. Which assessed-value input is consistent with both lines?

A. ₱1.2 million.

B. ₱2.4 million.

C. ₱600,000.

D. ₱36,000.

46. Q2-MA-046

A report's stated model error is calculated only from accepted observations after difficult cases were excluded without reasons. What should be retained for a fair review?

A. Exclusion criteria excluded records and their effects on reported performance.

B. A larger font for the error figure.

C. A statement that excluded cases were inconvenient.

D. Only the low final error figure.

47. Q2-MA-047

A gross-rent-multiplier exercise uses an annual GRM of 9 and verified monthly gross rent ₱65,000. What indicated amount follows?

A. ₱9.36 million.

B. ₱780,000.

C. ₱7.02 million.

D. ₱585,000.

48. Q2-MA-048

An owner responds to an assessor's action with an informal unsworn message but intends to invoke section 226. What filing requirement should be checked, apart from timeliness?

A. A new bank appraisal instead of any petition.

B. A newspaper advertisement stating the preferred value.

C. A verbal objection with no submitted record.

D. The prescribed petition under oath with tax declarations and supporting documents.

Mock Examination A Questions

Items 49–52 • Select one best answer.

49. Q2-MA-049

A cost estimate uses yesterday's quantities but five-year-old unit prices. The valuation date is current. What update is material?

A. Only change the estimate's date heading.

B. Assume depreciation alone converts old prices to current prices.

C. Verify price-date relevance and update applicable costs on the required cost basis.

D. Use the owner's original mortgage rate as every unit cost.

50. Q2-MA-050

A report concludes value as at 30 June, while its title page presents 15 August, the report date, without distinguishing the two. What should be clarified?

A. Call the inspection date the report date regardless of facts.

B. Delete both dates because the value is a single amount.

C. Move the valuation date automatically to the date of printing.

D. Label valuation and report dates distinctly and relate the evidence to the valuation date.

51. Q2-MA-051

A gross-lease comparison uses sale price ₱8.4m and annual gross rent ₱1.2m. Under a supplied comparison-only exercise, owner expenses of ₱360,000 convert rent to NOI. What indicated income yield follows?

A. 4.29%.

B. 7%.

C. 14.29%.

D. 10%.

52. Q2-MA-052

A supplied cost model has new cost ₱3m. Two independent sequential losses of 10% and 20% apply to the surviving amount. What remaining value follows?

A. ₱2.16 million.

B. ₱2.1 million.

C. ₱2.7 million.

D. ₱2.4 million.

Mock Examination A Questions

Items 53–56 • Select one best answer.

53. Q2-MA-053

A property's cost indication exceeds supported sale evidence by a wide margin during weak demand. What should be investigated rather than declaring the market wrong?

A. That construction cost guarantees a minimum market sale price.

B. That land value must always be zero in weak demand.

C. Potential losses in utility or external influences and the comparability of both analyses.

D. That every sale must be fraudulent because its price is lower.

54. Q2-MA-054

A supplied level-payment loan has beginning balance ₱500,000, monthly rate 1% and first payment ₱12,000. What balance remains immediately after that payment?

A. ₱488,000.

B. ₱507,000.

C. ₱493,000.

D. ₱505,000.

55. Q2-MA-055

A treasurer collects a disputed RPT payment under the section 252 procedure, but the receipt lacks the prescribed protest annotation. What statutory recording requirement should be addressed?

A. The words paid under protest on the tax receipt.

B. A broker must certify the owner's preferred value.

C. The assessment must be permanently deleted on payment.

D. The market value must be written in place of the payer's name.

56. Q2-MA-056

A report claims that 100% of the property's interior was inspected, but the recorded visit covered only the ground floor. Which statement needs correction?

A. Remove the visit record rather than correct the report.

B. Retain the claim if photographs look professional.

C. Describe the actual inspection extent and relevant limitations.

D. State that a longer visit implies full access.

Mock Examination A Questions

Items 57–60 • Select one best answer.

57. Q2-MA-057

A site inspection has no access to a sealed plant room whose equipment materially affects the assignment. What is the next appropriate evidence step?

A. Record the limitation and assess whether suitable additional evidence or access is needed.

B. Assume the room is empty because it is locked.

C. Certify the room was inspected because the building was visited.

D. Infer condition solely from the property's facade.

58. Q2-MA-058

A profits-method model uses restaurant operating earnings without deducting remuneration for equipment and business assets. The instructed subject is the real property interest alone. What boundary review is needed?

A. Deduct the proprietor's personal mortgage as the equipment allowance.

B. Capitalize total business earnings automatically as land value.

C. Identify the property-attributable income and reconcile other asset contributions.

D. Exclude every restaurant from valuation.

59. Q2-MA-059

An imported new machine's acquisition-cost exercise includes price ₱1.2m, freight and insurance ₱80,000, duties ₱120,000 and present-site installation ₱100,000. All are relevant nonoverlapping charges. What cost follows?

A. ₱1.5 million.

B. ₱1.2 million.

C. ₱1.4 million.

D. ₱1.38 million.

60. Q2-MA-060

A price rises from ₱4m to ₱4.6m and then falls by ₱600,000. What percentage decline from the higher price returns it to ₱4m?

A. 6%.

B. 15%.

C. 86.96%.

D. 13.04%, rounded to two decimals.

Mock Examination A Questions

Items 61–64 • Select one best answer.

61. Q2-MA-061

A verified sale price is ₱6.4m, including a seller-funded ₱240,000 buyer closing-cost concession. The case stipulates a peso-for-peso cash-equivalent deduction and no other adjustments. What starting comparable price follows?

A. ₱240,000.

B. ₱6.4 million.

C. ₱6.64 million.

D. ₱6.16 million.

62. Q2-MA-062

A GIS parcel selection uses a 1 km radial buffer around a station. The investment criterion instead requires a 1 km walk on connected paths. Which analysis fits the criterion?

A. Assume every street is a public pedestrian connection.

B. Treat the radial buffer as proof of every walking route.

C. Replace distance with map color.

D. A suitable pedestrian-network distance analysis with relevant access data.

63. Q2-MA-063

A listed specialist facility cannot currently be converted to the proposed apartment use. The conversion forecast is an expressly separate hypothetical scenario. What conclusion labeling is needed?

A. Ignore all current-use evidence.

B. Present conversion benefits as verified current entitlements.

C. Describe the planning restriction as a bank-loan balance.

D. Keep current-interest analysis distinct from the conditional conversion scenario.

64. Q2-MA-064

A transaction record has a deed date, payment date and possession date, but market adjustment uses an unlabeled date field. What should be established?

A. That the latest date always governs every analysis.

B. That price adjustment needs no time definition.

C. Which date represents the economically relevant transaction event for the model.

D. That deed date guarantees full payment on the same day.

Mock Examination A Questions

Items 65–68 • Select one best answer.

65. Q2-MA-065

A supplied redevelopment model has completed net receipts ₱44m, remaining work ₱25m, relocation ₱3m and separate profit allowance ₱5m, all at the same date. What current-property residual follows?

A. ₱11 million.

B. ₱16 million.

C. ₱14 million.

D. ₱19 million.

66. Q2-MA-066

A data dictionary defines saleable area, but an imported source column is gross floor area. What review is needed before merging the observations?

A. Assume every property's two areas are equal.

B. Multiply every area by its sale price.

C. Relabel gross area as saleable without evidence.

D. Reconcile area definitions and transform only where a supported relationship exists.

67. Q2-MA-067

Two annual payments of ₱121,000 occur at year 1 and year 2 end. At 10%, what present value follows?

A. ₱210,000.

B. ₱242,000.

C. ₱200,000.

D. ₱220,000.

68. Q2-MA-068

An unfinished site's buyer can acquire land and structures, but the seller's marketing-brand licence is expressly nontransferable. A forecast assumes the brand remains available at no cost. What must be reviewed?

A. Retain the brand because its logo remains on site.

B. Whether the buyer's completion and operation assumptions are supported without that licence or with an obtainable alternative.

C. Value the brand as land ownership.

D. Assume every brand can be acquired for one peso.

Mock Examination A Questions

Items 69–72 • Select one best answer.

69. Q2-MA-069

A unit-rate research table divides ₱9.6m verified price by 320 m², but the price includes a separately identified ₱960,000 equipment package. The case requires property-only price. What unit rate follows?

A. ₱3,000 per m².

B. ₱27,000 per m².

C. ₱30,000 per m².

D. ₱33,000 per m².

70. Q2-MA-070

A reserve must reach ₱242,000 in two years at 10% annually. With one deposit today and no other flows, what deposit is needed?

A. ₱292,820.

B. ₱220,000.

C. ₱242,000.

D. ₱200,000.

71. Q2-MA-071

A model sensitivity result is placed in the report beside the adopted value without explaining that its assumptions differ. What should the presentation identify?

A. Only the worksheet tab names.

B. That the largest scenario is adopted by default.

C. That all scenarios are simultaneous verified values.

D. Which amount is the conclusion and which belongs to the alternate scenario, with their premises.

72. Q2-MA-072

A quoted new machine costs ₱1.8m, freight ₱90,000 and required installation ₱210,000. All are nonoverlapping relevant costs in this exercise. What installed cost follows?

A. ₱2.01 million.

B. ₱2.1 million.

C. ₱1.8 million.

D. ₱1.89 million.

Mock Examination A Questions

Items 73–76 • Select one best answer.

73. Q2-MA-073

A vacant site's annual carrying cost is ₱75,000. A supplied no-discount scenario holds it for three years and sells it for ₱2.4m; acquisition cost is ₱1.9m. What net nominal surplus follows?

A. ₱425,000.

B. ₱275,000.

C. ₱500,000.

D. ₱225,000.

74. Q2-MA-074

A grid exercise has three adjoining areas 300, 450 and 750 m² at rates ₱8,000, ₱10,000 and ₱12,000 per m². What area-weighted rate follows?

A. ₱12,000 per m².

B. ₱10,600 per m².

C. ₱15,900 per m².

D. ₱10,000 per m².

75. Q2-MA-075

The IVSC announcement issued 30 January 2026 described a consultation draft with a planned January 2028 effective edition. How should that identified draft be used in a dated 2026 study file?

A. As a guarantee of the 2027 PRC topic quotas.

B. As a Philippine legislative tax amendment.

C. As a final standard effective immediately on announcement.

D. As proposed changes with its stated future plan, separately from already effective requirements.

76. Q2-MA-076

A rectangle on a supplied coordinate plane runs from x = 120 to 170 m and y = 40 to 70 m. What perimeter follows?

A. 200 m.

B. 80 m.

C. 160 m.

D. 1,500 m.

Mock Examination A Questions

Items 77–80 • Select one best answer.

77. Q2-MA-077

A material research premise remains unresolved at report completion. Which workfile treatment supports later review?

A. Delete unsuccessful enquiries so the file appears complete.

B. Describe every assumption as independently verified.

C. Copy an unrelated property's confirmation.

D. Retain the enquiry evidence responses unresolved status and effect on the conclusion.

78. Q2-MA-078

Two verified paired transactions differ in sale date and major renovation work. A draft calls their full price difference a pure time adjustment. What extra enquiry is needed?

A. Separate or otherwise account for the renovation effect before attributing the difference to time.

B. Ignore date and attribute everything to renovation.

C. Assign half the difference to time by default.

D. Use the entire difference because there are only two sales.

79. Q2-MA-079

A transferable contractual rent advantage is ₱242,000 payable at year 2 end only. A ₱50,000 transfer charge is payable now. At 10%, what net advantage PV follows?

A. ₱200,000.

B. ₱170,000.

C. ₱150,000.

D. ₱192,000.

80. Q2-MA-080

A leased-owner forecast has contractual rent increasing in year 3. The draft uses the present rent forever and labels the result a valuation of the actual lease. What should be reviewed?

A. Add all future rent increases to current value without discounting.

B. Represent the relevant contractual step and remaining term in a model consistent with the interest.

C. Remove the lease from the instruction without explanation.

D. Treat the contractual increase as proof of the market cap rate.

Mock Examination A Questions

Items 81–84 • Select one best answer.

81. Q2-MA-081

A plant has an idle spare generator retained for supported emergency service. What should be investigated rather than treating idle status as proof of no utility?

A. Its backup function demand condition and available alternative service.

B. Full new cost solely because it is retained.

C. Zero value solely because it is not running during inspection.

D. The operator's personal car value.

82. Q2-MA-082

A public facility's current service solution has present cost ₱12m. An alternative costs ₱15m but provides separately stipulated realizable net disposal receipts ₱4m at the same present date. What net cost advantage follows?

A. The alternative is cheaper by ₱1 million.

B. The current solution is cheaper by ₱3 million.

C. Both cost ₱12 million.

D. The alternative is cheaper by ₱4 million.

83. Q2-MA-083

A used machine's data plate gives original maximum output, but sustained inspected output is materially lower. What condition evidence is needed?

A. Treat any capacity reduction as proof of ownership loss.

B. Investigate the reason for the lower usable capacity and its effect on utility.

C. Use rated output unchanged because it is engraved.

D. Assume all lost output is external obsolescence without investigation.

84. Q2-MA-084

A marina package includes land lease rights and boats. The client instructs valuation of the lease rights alone. What should happen to boat earnings in the model?

A. Investigate and exclude or allocate the boat contribution consistently with the instructed rights.

B. Remove all marina property benefits.

C. Add boat ownership to the lease automatically.

D. Keep every boat receipt because boats depart from the land.

Mock Examination A Questions

Items 85–88 • Select one best answer.

85. Q2-MA-085

A property has effective gross income ₱2.25m and owner operating expenses ₱650,000, which already include property tax ₱110,000. Debt service is ₱420,000. What NOI follows under the supplied before-debt definition?

A. ₱1.18 million.

B. ₱1.49 million.

C. ₱1.6 million.

D. ₱1.71 million.

86. Q2-MA-086

A development residual is negative under supported current inputs. What conclusion is warranted first?

A. Ignore remaining development costs.

B. The land's market value must be exactly zero in every use.

C. The supplied scheme does not produce a positive residual under those inputs; investigate alternatives and evidence before generalising.

D. Increase revenue until the residual becomes positive without support.

87. Q2-MA-087

A cash flow starts at ₱660,000 in year 1 and grows 5% for year 2. What year-2 cash flow follows before discounting?

A. ₱693,000.

B. ₱628,571.

C. ₱726,000.

D. ₱33,000.

88. Q2-MA-088

A heritage property's required service can be supplied without full replication, but the instruction also requires retention of specified protected features. What cost premise is relevant?

A. The cheapest generic shell regardless of retained features.

B. The owner's historic land purchase invoice alone.

C. An exact replica of every feature regardless of need.

D. A substitute solution meeting both the service requirement and the stipulated retained-feature constraints.

Mock Examination A Questions

Items 89–92 • Select one best answer.

89. Q2-MA-089

An improvement contains excess circulation area that market evidence does not reward. A cost estimate includes its full construction cost. What loss issue should be investigated?

A. Physical deterioration solely because the area is large.

B. An automatic increase in market value equal to the extra cost.

C. Functional obsolescence associated with the excess feature.

D. Land depreciation equal to the full building cost.

90. Q2-MA-090

A property survey samples only parcels with recent sales and excludes all unsold specialised properties. What inference needs caution?

A. That sample representativeness is determined by the spreadsheet color.

B. That a large sale sample automatically represents every asset type.

C. Whether the sample supports conclusions about the excluded property group.

D. That unsold properties necessarily have zero value.

91. Q2-MA-091

The RPVARA tax-impact report uses a new SMV but treats tax rates as if fixed by the appraiser's own preference. What institutional distinction matters?

A. Any market-value revision automatically imposes the maximum rate.

B. The appraiser can replace an ordinance with a spreadsheet.

C. The Sanggunian determines the property's loan interest.

D. The valuation and impact analysis informs the Sanggunian's applicable assessment-level and rate decisions.

92. Q2-MA-092

A 1,250 m² parcel reserves 18% of area under the stipulated plan. The remainder is split into five equal saleable lots. What area per lot follows?

A. 45 m².

B. 205 m².

C. 250 m².

D. 1,025 m².

Mock Examination A Questions

Items 93–96 • Select one best answer.

93. Q2-MA-093

For a machinery assessment exercise under section 225, relevant cost is ₱3.5m, proposed remaining value ₱600,000 and the asset remains useful and operational. What 20% minimum applies?

A. ₱700,000.

B. ₱3.5 million.

C. ₱175,000.

D. ₱600,000.

94. Q2-MA-094

A DCF's terminal proceeds are stated after disposal costs, but the cash-flow schedule subtracts those costs again. What model repair is needed?

A. Add disposal costs as annual income.

B. Retain both deductions to compensate for risk.

C. Remove the duplicate deduction or restate the proceeds and costs consistently.

D. Ignore terminal proceeds altogether.

95. Q2-MA-095

Three approach indications differ materially in their evidential support. A draft averages them only because there are three methods. What reconciliation is needed?

A. Evaluate relevant evidence reliability and consistency before concluding a supported indication.

B. Delete the analysis producing the smallest result without enquiry.

C. Use the largest result to avoid understatement.

D. Give each method one-third weight as a universal rule.

96. Q2-MA-096

A tax-map service displays parcel geometry but its export omits source date and accuracy information. What should the analyst seek before parcel-level interpretation?

A. Provenance date scale and positional-accuracy information suited to the enquiry.

B. A screenshot with larger labels instead of metadata.

C. Only a higher screen resolution.

D. A promise that every displayed boundary settles title.

Mock Examination A Questions

Items 97–100 • Select one best answer.

97. Q2-MA-097

The narrative states a building area of 600 m², but the valuation table uses 680 m² and the discrepancy materially changes the amount. What must happen before issuance?

A. Average the two areas without investigating their definitions.

B. Keep the higher area only because it produces a larger value.

C. Add a generic disclaimer while leaving the inconsistency unresolved.

D. Reconcile the area evidence and update the analysis and narrative consistently.

98. Q2-MA-098

A comparable cash price is ₱5m. The case requires a 4% market-condition increase applied first, followed by a ₱150,000 deduction for its superior site. What adjusted indication follows?

A. ₱5.044 million.

B. ₱5.05 million.

C. ₱5.2 million.

D. ₱4.85 million.

99. Q2-MA-099

A physical-quality adjustment was estimated from sales that also differ in location desirability. Which support is still needed?

A. Proof that every location has identical demand.

B. A rule that physical condition always explains the entire price gap.

C. An average of the street names.

D. Evidence separating the relevant location influence from physical-quality differences.

100. Q2-MA-100

A machine's supported removal-sale receipts are ₱950,000. Dismantling costs ₱130,000 and transport costs ₱70,000 are seller outflows. What net realization follows?

A. ₱1.15 million.

B. ₱750,000.

C. ₱820,000.

D. ₱950,000.

Mock Examination A Compact Answer Key

Items 1–50 • Review after completing the full form.

Item	Key	Item	Key	Item	Key	Item	Key
1	D	14	C	27	B	40	D
2	B	15	B	28	C	41	B
3	D	16	C	29	B	42	C
4	B	17	B	30	A	43	B
5	B	18	A	31	D	44	C
6	B	19	B	32	B	45	A
7	C	20	D	33	A	46	A
8	C	21	A	34	C	47	C
9	B	22	B	35	D	48	D
10	A	23	D	36	C	49	C
11	C	24	D	37	A	50	D
12	B	25	A	38	A		
13	A	26	C	39	D		

Scoring

Combine both response sheets: total correct _____ / 100 = _____%. Review uncertain correct responses as well as errors. Keep the first-attempt record distinct from any later repeated attempt.

Mock Examination A Compact Answer Key

Items 51–100 • Review after completing the full form.

Item	Key	Item	Key	Item	Key	Item	Key
51	D	64	C	77	D	90	C
52	A	65	A	78	A	91	D
53	C	66	D	79	C	92	B
54	C	67	A	80	B	93	A
55	A	68	B	81	A	94	C
56	C	69	B	82	A	95	A
57	A	70	D	83	B	96	A
58	C	71	D	84	A	97	D
59	A	72	B	85	C	98	B
60	D	73	B	86	C	99	D
61	D	74	B	87	A	100	B
62	D	75	D	88	D		
63	D	76	C	89	C		

Scoring

Combine both response sheets: total correct _____ / 100 = _____%. Review uncertain correct responses as well as errors. Keep the first-attempt record distinct from any later repeated attempt.

Mock Examination A Answers and Explanations

Items 1–4 • Version 1.0

1. Q2-MA-001 • Answer D

An editorial simulation of that subject, with its own topic counts and scoring conventions.

A • These are original practice items.

B • The form is not a calibrated ranking predictor.

C • That TOS has not been verified.

D • **Correct.** The program supports subject scope and duration, not a verified official 100-item quota.

Repair: Separate official subject structure from editorial simulation.

Topic P9 • Lessons 35. Source: R9 BSP RPPI; R10 IVSC 2026 announcement; R11 PRC 2026 program; dated original update cases.

2. Q2-MA-002 • Answer B

₱8.4 million.

A • That omits the losses.

B • **Correct.** 2.8m + 7.2m − 1.6m = 8.4m; the summary must match the analysed indication.

C • That adds rather than deducts losses.

D • That omits the land component.

Repair: Reconcile summary amounts to the supporting schedule.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

3. Q2-MA-003 • Answer D

In the report's stated assumptions and their relevant effect on analysis and conclusion.

A • Arithmetic does not establish approval.

B • That is too late to clarify the delivered premise.

C • The report user may never see it.

D • **Correct.** A material premise should not be hidden in a working-cell comment.

Repair: Communicate material premises where the report can be understood.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

4. Q2-MA-004 • Answer B

₱21 million.

A • That multiplies the stated figures on the wrong scale.

B • **Correct.** 1.68m / 0.08 = 21m; the property indication precedes owner financing allocation.

C • That multiplies NOI by the cap rate.

D • That is annual NOI rather than its capitalized indication.

Repair: Keep property value distinct from an equity-after-debt amount.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination A Answers and Explanations

Items 5–8 • Version 1.0

5. Q2-MA-005 • Answer B

1.50.

A • That reverses the ratio.

B • **Correct.** 960,000 / 640,000 = 1.50.

C • That is the cash difference rather than a ratio.

D • That does not follow from the supplied inputs.

Repair: Identify the coverage numerator and denominator.

Topic P3 • Lessons 26, 6. Source: R3 original mathematics exercises; OpenStax finance background.

6. Q2-MA-006 • Answer B

The June 2025 transition to RPPI and its methodology and coverage comparison.

A • Index measures are not individual appraisals.

B • **Correct.** The official transition calls for checking comparability rather than assuming identical construction.

C • Coverage still needs investigation.

D • It remains price evidence rather than title evidence.

Repair: Review the statistical transition before combining series.

Topic P9 • Lessons 35. Source: R9 BSP RPPI; R10 IVSC 2026 announcement; R11 PRC 2026 program; dated original update cases.

7. Q2-MA-007 • Answer C

A supported replacement providing the required utility.

A • That answers a replica premise not supplied.

B • Rent is not the required cost estimate.

C • **Correct.** The instructed service need does not require reproducing every historic feature.

D • Historic spending does not establish current equivalent-utility cost.

Repair: Define utility before selecting the cost premise.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

8. Q2-MA-008 • Answer C

Recognise dependency and investigate access to the leased module without adding its ownership to the subject.

A • That changes the asset boundary.

B • Dependency can affect usable benefits.

C • **Correct.** Operational dependence does not convey ownership of the module.

D • That reverses the instruction.

Repair: Keep ownership scope and service dependency distinct.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination A Answers and Explanations

Items 9–12 • Version 1.0

9. Q2-MA-009 • Answer B

Investigate relevance and supported market changes before deciding how much weight to give the older evidence.

A • Verification does not remove date differences.

B • **Correct.** Age is a limitation to analyse rather than an automatic reason to accept or reject.

C • Asking terms are not completed-sale evidence.

D • No such universal cutoff is supplied.

Repair: Judge date relevance and adjustment support together.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

10. Q2-MA-010 • Answer A

The intended use value basis subject and stated conclusion.

A • **Correct.** The report currently combines distinct contexts without explanation.

B • Appearance does not align the assignment.

C • Signature does not repair the analysis.

D • Length does not correct the basis.

Repair: Make the reported purpose and basis consistent with the actual instruction.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

11. Q2-MA-011 • Answer C

Establish the actual unit and relevant specification before selecting valuation evidence.

A • Capacity and configuration can differ.

B • Price preference does not establish identity.

C • **Correct.** Brand alone may describe many different units.

D • It does not identify this unit.

Repair: Identify the particular asset and configuration.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

12. Q2-MA-012 • Answer B

The conclusion's dependence on unresolved material facts and assumptions.

A • Rounding does not establish support.

B • **Correct.** Mathematical verification does not establish those facts.

C • A chosen outcome does not verify premises.

D • It does not inspect licence evidence.

Repair: Match conclusion strength to the available evidence.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

Mock Examination A Answers and Explanations

Items 13–16 • Version 1.0

13. Q2-MA-013 • Answer A

₱70,000.

A • Correct. 250,000 − 180,000 = 70,000; the stated benefit exceeds cost.

B • That reverses benefit and cost.

C • That adds cost to benefit.

D • That omits the outlay.

Repair: Compare supported benefit and cost on the same date.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

14. Q2-MA-014 • Answer C

5.

A • That is the squared-deviation sum before division.

B • That is the population standard deviation rather than variance.

C • Correct. Mean = 11; squared deviations total 9 + 1 + 1 + 9 = 20; divide by 4 = 5.

D • That uses the sample denominator of 3.

Repair: Distinguish population variance from sample variance and standard deviation.

Topic P3 • Lessons 7. Source: R3 original mathematics exercises; OpenStax finance background.

15. Q2-MA-015 • Answer B

₱80,000.

A • That uses undiscounted receipts.

B • Correct. 550,000 / 1.1 − 420,000 = 80,000.

C • That is receipt PV before the initial outlay.

D • That omits part of the discounted benefit.

Repair: Include the initial cost at time zero.

Topic P3 • Lessons 6, 27. Source: R3 original mathematics exercises; OpenStax finance background.

16. Q2-MA-016 • Answer C

35%.

A • That treats the reply count as a percentage without the base.

B • That uses an incorrect denominator or reciprocal scaling.

C • Correct. 84 / 240 × 100 = 35%; this statistic does not itself eliminate nonresponse bias.

D • That is the nonusable or absent share.

Repair: Name the response numerator and eligible denominator.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

Mock Examination A Answers and Explanations

Items 17–20 • Version 1.0

17. Q2-MA-017 • Answer B

The economic subject cash-flow definition risk and operating obligations.

A • Same currency does not align economic meaning.

B • **Correct.** Operator revenue and property rent have different burdens and asset scopes.

C • Row count does not reconcile the cash flows.

D • A rating does not by itself align the models.

Repair: Compare indications on consistent asset and income bases.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

18. Q2-MA-018 • Answer A

₱5.5 million.

A • **Correct.** 550,000 / 1.1 = 500,000; 6.05m / 1.1^2 = 5m; total = 5.5m.

B • That discounts both receipts for one year.

C • That omits the first receipt.

D • That adds undiscounted receipts.

Repair: Discount each cash flow for its own time interval.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

19. Q2-MA-019 • Answer B

₱10 million.

A • That capitalizes total property income as land income.

B • **Correct.** Land income = 1.5m − 0.9m = 0.6m; 0.6m / 0.06 = 10m.

C • That capitalizes the building income as land income.

D • That stops at the land income allocation.

Repair: Allocate income consistently before capitalizing the residual component.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

20. Q2-MA-020 • Answer D

The statutory auction-disposal exclusion.

A • That is not the stated exclusion test.

B • The provision does not establish that result.

C • Area does not resolve the sale record.

D • **Correct.** Timing alone does not overcome that exclusion.

Repair: Check relief exclusions as well as timing.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

Mock Examination A Answers and Explanations

Items 21–24 • Version 1.0

21. Q2-MA-021 • Answer A

35%.

A • Correct. 2,240 / 6,400 × 100 = 35%.

B • That reverses the ratio.

C • That is the remainder.

D • That does not follow from the supplied area ratio.

Repair: Use overlap area as numerator and parcel area as denominator.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

22. Q2-MA-022 • Answer B

Determine which removal compensation or renewal benefits actually belong to the tenant under the supplied terms.

A • The measures concern different matters.

B • Correct. Physical life does not itself extend tenure.

C • Service life does not rewrite contractual rights.

D • That allocates another interest's benefit.

Repair: Trace benefits to rights rather than physical life alone.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

23. Q2-MA-023 • Answer D

Real cash flows need a compatible real discount-rate treatment or a consistent nominal conversion.

A • They need not be.

B • Time value still matters.

C • That is not a coherent conversion.

D • Correct. Mixing definitions can distort the result.

Repair: Align cash-flow and rate treatment of inflation.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

24. Q2-MA-024 • Answer D

₱900,000.

A • That is substitute cost rather than the excess.

B • That is recreation cost rather than the excess.

C • That adds both costs.

D • Correct. 3.4m − 2.5m = 0.9m; further valuation treatment depends on the premise and evidence.

Repair: Identify the cost difference before judging its valuation relevance.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination A Answers and Explanations

Items 25–28 • Version 1.0

25. Q2-MA-025 • Answer A

Separate the observed screen result from any supported economic effect and remove the unsupported quantified claim.

A • Correct. Identification of a hazard does not establish a specific value deduction.

B • Relevant condition information should remain accurately described.

C • Rounding does not establish support.

D • Precision does not supply evidence.

Repair: Do not convert screening evidence into an unsupported quantified conclusion.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

26. Q2-MA-026 • Answer C

₱31,000 per m².

A • That is the mean rather than the median.

B • That is the maximum.

C • Correct. The ordered middle of the three rates is 31,000; the median does not decide whether the high sale is invalid.

D • That is the minimum.

Repair: Distinguish statistic selection from transaction suitability review.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

27. Q2-MA-027 • Answer B

Separate benefits attributable to the subject machinery from excluded assets.

A • That does not resolve excluded asset contributions.

B • Correct. Business profit is not automatically machinery-only income.

C • Income and cost are different measures.

D • Other assets may also contribute.

Repair: Match income-model benefits to the actual asset subject.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

28. Q2-MA-028 • Answer C

4,800 m².

A • That treats cell side length as cell area.

B • That double counts the twelve cells.

C • Correct. 20 × 20 × 12 = 4,800 m².

D • That includes only one cell.

Repair: Convert cell dimensions to area before counting cells.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

Mock Examination A Answers and Explanations

Items 29–32 • Version 1.0

29. Q2-MA-029 • Answer B

The model's response to those stipulated cap-rate changes.

A • The calculation does not establish approval.

B • **Correct.** It does not assign probability to the tested rates.

C • A sensitivity range is not a guarantee.

D • No probability model is supplied.

Repair: Separate sensitivity response from probability and legal evidence.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

30. Q2-MA-030 • Answer A

10%.

A • **Correct.** (80,000 + 800,000 − 800,000) / 800,000 = 10%.

B • That omits the net cash receipt.

C • That uses an unsupported base.

D • That omits the initial capital recovery subtraction.

Repair: Separate return on capital from recovery of capital.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

31. Q2-MA-031 • Answer D

The exception concerning beneficial use granted to a taxable person.

A • That ignores the stated exception.

B • A logo does not satisfy the statutory enquiry.

C • Beneficial use is distinct from title transfer.

D • **Correct.** Government ownership alone does not resolve the stipulated beneficial-use exception.

Repair: Check the exemption and its stated exception against the actual use facts.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

32. Q2-MA-032 • Answer B

₱9,000.

A • That divides principal by twelve rather than computing interest.

B • **Correct.** 900,000 × (12% / 12) = 9,000.

C • That uses 1.2% monthly instead of 1%.

D • That charges a full year's nominal interest.

Repair: Convert the stated nominal rate to its payment-period rate.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination A Answers and Explanations

Items 33–36 • Version 1.0

33. Q2-MA-033 • Answer A

The actual shares control and transfer conditions of the specified interests.

A • Correct. Number of names does not establish equal economic interests.

B • No such standard discount is established.

C • The stated unequal rights contradict it.

D • That does not define their rights.

Repair: Identify the particular fractional rights before allocation.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

34. Q2-MA-034 • Answer C

Reconcile location coding with verified property identity before sample selection.

A • Price size alone does not identify a coding error.

B • The observed error requires validation.

C • Correct. A coding defect can change inclusion and the analysis.

D • That ignores relevant geography.

Repair: Check coded attributes against their source evidence.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

35. Q2-MA-035 • Answer D

Reconcile parcel identity and replace the mismatched assessment input through the proper records process.

A • That does not resolve the wrong input.

B • Rounding does not fix identity.

C • Preference does not establish the appropriate record.

D • Correct. Correct arithmetic on the wrong subject does not produce the subject's correct bill.

Repair: Verify subject identity before relying on a reconciled total.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

36. Q2-MA-036 • Answer C

₱3 million.

A • That adds losses rather than deducts them.

B • That omits physical loss.

C • Correct. 4m − 0.6m − 0.4m = 3m under the stated nonoverlap premise.

D • That omits functional loss.

Repair: Check that loss components are distinct before summing deductions.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination A Answers and Explanations

Items 37–40 • Version 1.0

37. Q2-MA-037 • Answer A

Relate observed conditions and intervening changes to the common valuation date.

A • Correct. Inspection dates do not automatically redefine the agreed date.

B • That changes the portfolio premise.

C • Storage location does not establish timing.

D • That conceals material provenance.

Repair: Reconstruct conditions at the required date.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

38. Q2-MA-038 • Answer A

Identify the corrected version affected amount and reason, and manage supersession of the earlier report.

A • Correct. A material change needs a traceable corrected record.

B • That obscures which conclusion is valid.

C • That prevents review of the correction.

D • That does not correct the content.

Repair: Preserve an intelligible revision and supersession trail.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

39. Q2-MA-039 • Answer D

Both accounts may trace to the same unsupported origin and should not be counted as independent confirmation.

A • The provenance chain contradicts that assumption.

B • Further independent verification may make it usable.

C • That does not test provenance.

D • Correct. Different speakers do not necessarily provide different original evidence.

Repair: Trace the originating evidence rather than count repetitions.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

40. Q2-MA-040 • Answer D

Removal installation commissioning and operating-premise differences.

A • That expands the subject without support.

B • Installation spending does not establish operating utility.

C • The premise differences can affect value.

D • Correct. The evidence packages and conditions differ.

Repair: Align machinery evidence with its premise and package.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination A Answers and Explanations

Items 41–44 • Version 1.0

41. Q2-MA-041 • Answer B

₱15,900.

A • That ignores the applicable increase cap.

B • **Correct.** 15,000 × 1.06 = 15,900, below the uncapped amount.

C • That is the maximum increase rather than the total.

D • That treats an increase cap as a complete freeze.

Repair: Apply the cap to the specified tax type and eligible baseline.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

42. Q2-MA-042 • Answer C

Identify the true source CRS and correct the assignment before any required transformation.

A • Software opening does not validate the definition.

B • That does not establish a valid transformation.

C • **Correct.** A metadata label does not change what the stored numbers represent.

D • Price does not transform coordinates.

Repair: Verify the source spatial reference rather than infer it from file acceptance.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

43. Q2-MA-043 • Answer B

State the specific property interest and align the analysis and conclusion with it.

A • That creates an unexplained mismatch.

B • **Correct.** The amount alone does not identify the rights valued.

C • Location does not resolve the subject rights.

D • Their benefits and obligations may differ.

Repair: Identify the interest supporting the reported amount.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

44. Q2-MA-044 • Answer C

Whether the added margin duplicates an existing cost component.

A • Their economic roles can differ.

B • A current cost estimate can include a relevant margin.

C • **Correct.** Different labels do not establish distinct amounts.

D • It does not acquire that meaning.

Repair: Identify which margin each model component represents.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

Mock Examination A Answers and Explanations

Items 45–48 • Version 1.0

45. Q2-MA-045 • Answer A

₱1.2 million.

A • Correct. 24,000 / 2% = 1.2m and 12,000 / 1% = 1.2m; both lines imply the same assessed base.

B • That applies the SEF rate to the basic-tax amount.

C • That applies the basic rate to the SEF amount.

D • That is the sum of the levies rather than their assessed base.

Repair: Reconcile independently implied bases from the component bill lines.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

46. Q2-MA-046 • Answer A

Exclusion criteria excluded records and their effects on reported performance.

A • Correct. Selective omissions can make the reported error misleading.

B • Formatting does not validate exclusions.

C • Convenience is not an evidential criterion.

D • That conceals the selection process.

Repair: Document selection decisions and their analytical effects.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

47. Q2-MA-047 • Answer C

₱7.02 million.

A • That substitutes a multiplier of 12.

B • That annualises rent but omits the multiplier.

C • Correct. Annual rent = 65,000 × 12 = 780,000; 780,000 × 9 = 7.02m.

D • That multiplies monthly rent by an annual multiplier.

Repair: Match the multiplier to the rent period.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

48. Q2-MA-048 • Answer D

The prescribed petition under oath with tax declarations and supporting documents.

A • Evidence alone does not replace the required filing.

B • That is not the specified appeal petition.

C • That does not establish the prescribed petition.

D • Correct. Section 226 describes that form of appeal rather than treating any informal message as equivalent.

Repair: Identify both the remedy's form and its applicable deadline.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

Mock Examination A Answers and Explanations

Items 49–52 • Version 1.0

49. Q2-MA-049 • Answer C

Verify price-date relevance and update applicable costs on the required cost basis.

A • Relabeling does not update its inputs.

B • Condition loss and price-date adjustment differ.

C • **Correct.** Recent quantities do not make old prices current.

D • That is not construction-price evidence.

Repair: Check both technical scope and price date.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

50. Q2-MA-050 • Answer D

Label valuation and report dates distinctly and relate the evidence to the valuation date.

A • That introduces another misstatement.

B • Date is part of the value context.

C • Printing does not amend the instructed date.

D • **Correct.** The dates answer different questions.

Repair: Keep the dates and their meanings explicit.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

51. Q2-MA-051 • Answer D

10%.

A • That divides expenses by price.

B • That is the gross-rent multiplier, not a percentage yield.

C • That uses gross rent rather than the requested NOI.

D • **Correct.** NOI = 1.2m − 0.36m = 0.84m; 0.84m / 8.4m = 10%.

Repair: Identify the numerator of the income-yield measure.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

52. Q2-MA-052 • Answer A

₱2.16 million.

A • **Correct.** 3m × 0.90 × 0.80 = 2.16m.

B • That adds the percentages instead of applying them sequentially.

C • That applies only the 10% loss.

D • That applies only the 20% loss.

Repair: Respect the supplied loss bases.

Topic P3 • Lessons 25, 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination A Answers and Explanations

Items 53–56 • Version 1.0

53. Q2-MA-053 • Answer C

Potential losses in utility or external influences and the comparability of both analyses.

A • A cost estimate does not guarantee recovery.

B • Demand weakness does not establish that universal result.

C • **Correct.** The difference calls for analysis of premises and evidence.

D • No such conclusion follows.

Repair: Investigate cost recovery and market context.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

54. Q2-MA-054 • Answer C

₱493,000.

A • That treats the entire payment as principal.

B • That adds the principal reduction instead of subtracting it.

C • **Correct.** Interest = 5,000; principal repaid = 7,000; ending balance = 493,000.

D • That accrues interest but omits the payment.

Repair: Split payment into interest and principal before updating the balance.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

55. Q2-MA-055 • Answer A

The words paid under protest on the tax receipt.

A • **Correct.** The specified payment-protest route includes that annotation.

B • That does not replace the receipt annotation.

C • Payment under protest does not itself delete the assessment.

D • That is not the identified requirement.

Repair: Keep the payment record consistent with the stated protest procedure.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

56. Q2-MA-056 • Answer C

Describe the actual inspection extent and relevant limitations.

A • That conceals the discrepancy.

B • Presentation does not establish access.

C • **Correct.** The claim exceeds the documented work.

D • Duration does not establish extent.

Repair: Match the report's account of work to the work performed.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

Mock Examination A Answers and Explanations

Items 57–60 • Version 1.0

57. Q2-MA-057 • Answer A

Record the limitation and assess whether suitable additional evidence or access is needed.

A • Correct. The unobserved material area requires explicit treatment.

B • Access failure does not establish contents.

C • That overstates the work.

D • That does not resolve the plant-room evidence.

Repair: Tie inspection claims to actual access and observations.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

58. Q2-MA-058 • Answer C

Identify the property-attributable income and reconcile other asset contributions.

A • Owner finance does not measure equipment's contribution.

B • That ignores the stated asset boundary.

C • Correct. Operating earnings may reward more than the real property.

D • Trading use does not prevent valuation.

Repair: Match earnings to the assets within the instructed subject.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

59. Q2-MA-059 • Answer A

₱1.5 million.

A • Correct. 1.2m + 0.08m + 0.12m + 0.1m = 1.5m.

B • That omits all charges.

C • That omits site installation.

D • That omits duties.

Repair: Use the stipulated acquisition-cost components once each.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

60. Q2-MA-060 • Answer D

13.04%, rounded to two decimals.

A • That is not the stated change relative to the higher price.

B • That divides by the earlier price rather than the decline's starting base.

C • That is the retained share.

D • Correct. 600,000 / 4,600,000 × 100 = 13.043478%.

Repair: Choose the reference base for the requested percentage.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination A Answers and Explanations

Items 61–64 • Version 1.0

61. Q2-MA-061 • Answer D

₱6.16 million.

A • That is the concession rather than the adjusted sale price.

B • That ignores the stipulated deduction.

C • That adds rather than removes the supplied concession.

D • **Correct.** 6.4m − 0.24m = 6.16m before other adjustments.

Repair: Establish the cash-equivalent price before property adjustments.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

62. Q2-MA-062 • Answer D

A suitable pedestrian-network distance analysis with relevant access data.

A • The actual access network needs verification.

B • It does not test connectivity.

C • Color does not establish the route.

D • **Correct.** Radial distance and walkable network distance are different measures.

Repair: Measure accessibility under the specified travel mode.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

63. Q2-MA-063 • Answer D

Keep current-interest analysis distinct from the conditional conversion scenario.

A • The current-interest enquiry still needs evidence.

B • The permission condition is not satisfied.

C • It concerns use rights rather than financing.

D • **Correct.** A forecast under an unrealised permission is not automatically current unrestricted value.

Repair: Distinguish actual conditions from alternate premises.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

64. Q2-MA-064 • Answer C

Which date represents the economically relevant transaction event for the model.

A • The relevant event depends on facts and purpose.

B • The model needs a relevant dated observation.

C • **Correct.** The dates can have different meanings and must not be interchangeable by default.

D • The record shows separate dates.

Repair: Define event timing before applying market changes.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

Mock Examination A Answers and Explanations

Items 65–68 • Version 1.0

65. Q2-MA-065 • Answer A

₱11 million.

A • Correct. 44m − 25m − 3m − 5m = 11m.

B • That omits profit allowance.

C • That omits relocation.

D • That omits relocation and profit.

Repair: Include each stated nonoverlapping remaining allowance.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

66. Q2-MA-066 • Answer D

Reconcile area definitions and transform only where a supported relationship exists.

A • That relationship is not established.

B • That does not resolve the definition.

C • That changes meaning without support.

D • Correct. Matching units alone does not align different area meanings.

Repair: Verify semantic comparability before combining data.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

67. Q2-MA-067 • Answer A

₱210,000.

A • Correct. 121,000 / 1.1 + 121,000 / 1.1^2 = 110,000 + 100,000.

B • That omits discounting.

C • That discounts both for two years.

D • That discounts both payments for one year.

Repair: Assign each payment its own discount exponent.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

68. Q2-MA-068 • Answer B

Whether the buyer's completion and operation assumptions are supported without that licence or with an obtainable alternative.

A • Physical display does not establish transferable rights.

B • Correct. The subject transaction does not include the stipulated nontransferable benefit.

C • They are distinct interests.

D • No such alternative cost is supported.

Repair: Test transferable benefits in the actual acquisition case.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

Mock Examination A Answers and Explanations

Items 69–72 • Version 1.0

69. Q2-MA-069 • Answer B

₱27,000 per m².

A • That is equipment value per unit area.

B • **Correct.** (9.6m − 0.96m) / 320 = 27,000.

C • That retains equipment in property price.

D • That adds the equipment value instead of removing it.

Repair: Align the price package with the unit-rate subject.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

70. Q2-MA-070 • Answer D

₱200,000.

A • That compounds rather than discounts.

B • That discounts one year.

C • That omits discounting.

D • **Correct.** 242,000 / 1.1^2 = 200,000.

Repair: Match the accumulation target to its deposit date.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

71. Q2-MA-071 • Answer D

Which amount is the conclusion and which belongs to the alternate scenario, with their premises.

A • Tab names may not explain the premises.

B • No support for that selection is given.

C • Different assumptions do not become one unconditional state.

D • **Correct.** Readers need to distinguish different conditional outputs.

Repair: Label scenario status and the adopted conclusion.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

72. Q2-MA-072 • Answer B

₱2.1 million.

A • That omits freight.

B • **Correct.** 1.8m + 0.09m + 0.21m = 2.1m.

C • That omits freight and installation.

D • That omits installation.

Repair: Build the specified installed-cost package without omissions.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination A Answers and Explanations

Items 73–76 • Version 1.0

73. Q2-MA-073 • Answer B

₱275,000.

A • That includes only one year's carrying cost.

B • **Correct.** 2.4m − 1.9m − 3 × 75,000 = 275,000.

C • That omits carrying costs.

D • That is total carrying cost rather than surplus.

Repair: Include every stated holding cost in the specified nominal exercise.

Topic P3 • Lessons 6, 27. Source: R3 original mathematics exercises; OpenStax finance background.

74. Q2-MA-074 • Answer B

₱10,600 per m².

A • That selects only the largest area's rate.

B • **Correct.** Total amount = 2.4m + 4.5m + 9m = 15.9m; total area = 1,500; rate = 10,600.

C • That divides by an incorrect area.

D • That is the unweighted mean of the three rates.

Repair: Weight unit rates by their corresponding areas.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

75. Q2-MA-075 • Answer D

As proposed changes with its stated future plan, separately from already effective requirements.

A • It does not establish those quotas.

B • The announcement is not such an Act.

C • That contradicts its draft status.

D • **Correct.** A dated draft announcement does not establish current mandatory application of the proposals.

Repair: Identify document status as well as publication date.

Topic P9 • Lessons 35. Source: R9 BSP RPPI; R10 IVSC 2026 announcement; R11 PRC 2026 program; dated original update cases.

76. Q2-MA-076 • Answer C

160 m.

A • That treats all four sides as 50 m.

B • That adds one length and one width only.

C • **Correct.** Sides are 50 m and 30 m; perimeter = 2 × (50 + 30) = 160.

D • That is the area number mislabeled as length.

Repair: Derive coordinate differences before the requested geometry measure.

Topic P3 • Lessons 33, 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination A Answers and Explanations

Items 77–80 • Version 1.0

77. Q2-MA-077 • Answer D

Retain the enquiry evidence responses unresolved status and effect on the conclusion.

A • That conceals the gap.

B • That overstates evidence.

C • That does not verify this premise.

D • **Correct.** A transparent record supports assessment of how the gap was handled.

Repair: Preserve the evidence trail and its limitation.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

78. Q2-MA-078 • Answer A

Separate or otherwise account for the renovation effect before attributing the difference to time.

A • **Correct.** The pair does not isolate time while another material difference remains.

B • That replaces one unsupported attribution with another.

C • No evidence supports that allocation.

D • Sample size does not isolate the cause.

Repair: Test whether evidence isolates the adjustment being estimated.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

79. Q2-MA-079 • Answer C

₱150,000.

A • That omits the transfer charge.

B • That discounts for only one year before deducting the charge.

C • **Correct.** 242,000 / 1.1^2 − 50,000 = 200,000 − 50,000.

D • That omits discounting.

Repair: Use the benefit's actual date and initial transfer cost.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

80. Q2-MA-080 • Answer B

Represent the relevant contractual step and remaining term in a model consistent with the interest.

A • Timing still matters.

B • **Correct.** The actual contractual benefit pattern is not a flat perpetual stream.

C • That changes the subject instead of analysing it.

D • A rent step does not establish a capitalization rate.

Repair: Model the actual cash-flow rights rather than an incompatible shortcut.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination A Answers and Explanations

Items 81–84 • Version 1.0

81. Q2-MA-081 • Answer A

Its backup function demand condition and available alternative service.

A • Correct. Intermittent use can still provide relevant economic service.

B • Retention does not establish full cost recovery.

C • A momentary observation does not establish no utility.

D • That does not evaluate the generator.

Repair: Assess service contribution rather than current running status alone.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

82. Q2-MA-082 • Answer A

The alternative is cheaper by ₱1 million.

A • Correct. Alternative net cost = 15m − 4m = 11m; current cost = 12m.

B • That omits the alternative disposal receipts.

C • The supplied amounts do not support equality.

D • That treats disposal receipts as the whole cost difference.

Repair: Compare alternatives using consistent net present costs.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

83. Q2-MA-083 • Answer B

Investigate the reason for the lower usable capacity and its effect on utility.

A • Performance and ownership are different enquiries.

B • Correct. Rated output does not prove current sustained performance.

C • Historic specification does not resolve current condition.

D • Several causes may explain it.

Repair: Relate operating performance to condition and utility.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

84. Q2-MA-084 • Answer A

Investigate and exclude or allocate the boat contribution consistently with the instructed rights.

A • Correct. A package's total earnings need not belong wholly to the lease rights.

B • The instructed lease can still contribute benefits.

C • The instruction excludes it.

D • Operational association does not establish asset inclusion.

Repair: Reconcile operating-package income with the subject interest.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

Mock Examination A Answers and Explanations

Items 85–88 • Version 1.0

85. Q2-MA-085 • Answer C

₱1.6 million.

A • That also deducts debt service.

B • That deducts property tax a second time.

C • **Correct.** NOI = 2.25m − 0.65m = 1.6m; tax is already included and debt is excluded.

D • That improperly adds the included tax back.

Repair: Reconcile inclusions before deriving the specified income measure.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

86. Q2-MA-086 • Answer C

The supplied scheme does not produce a positive residual under those inputs; investigate alternatives and evidence before generalising.

A • That removes material outflows.

B • That overextends the scheme result.

C • **Correct.** A model outcome for one scheme does not prove every site use is valueless.

D • That alters evidence to obtain a preferred answer.

Repair: Keep feasibility results tied to the evaluated scheme.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

87. Q2-MA-087 • Answer A

₱693,000.

A • **Correct.** 660,000 × 1.05 = 693,000.

B • That divides by the growth factor.

C • That applies two growth increments.

D • That is the increment only.

Repair: Separate growth forecasting from discounting.

Topic P3 • Lessons 6, 27. Source: R3 original mathematics exercises; OpenStax finance background.

88. Q2-MA-088 • Answer D

A substitute solution meeting both the service requirement and the stipulated retained-feature constraints.

A • That omits a stated constraint.

B • That does not price the service solution.

C • That may exceed the required premise.

D • **Correct.** Equivalent utility must reflect all material requirements supplied.

Repair: Define the constrained utility before estimating cost.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

Mock Examination A Answers and Explanations

Items 89–92 • Version 1.0

89. Q2-MA-089 • Answer C

Functional obsolescence associated with the excess feature.

A • Excess utility mismatch differs from wear.

B • Cost alone does not prove market recognition.

C • **Correct.** Cost paid for an unwanted feature need not be fully recovered in value.

D • That changes the affected component without support.

Repair: Separate utility mismatch from physical condition.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

90. Q2-MA-090 • Answer C

Whether the sample supports conclusions about the excluded property group.

A • Presentation is unrelated to coverage.

B • Size does not remove coverage gaps.

C • **Correct.** The sampling frame may not represent those unsold assets.

D • Absence of sale does not establish zero.

Repair: Match the sampling frame to the target population.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

91. Q2-MA-091 • Answer D

The valuation and impact analysis informs the Sanggunian's applicable assessment-level and rate decisions.

A • The statute requires distinct tax decisions and safeguards.

B • That does not establish the legal levy.

C • That concerns a different matter.

D • **Correct.** An appraisal forecast is not itself an ordinance setting tax rates.

Repair: Distinguish valuation work from authority to set a levy.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

92. Q2-MA-092 • Answer B

205 m².

A • That divides the reserved area instead of the saleable remainder.

B • **Correct.** 1,250 × 82% / 5 = 205.

C • That omits the reserved area.

D • That is the total saleable area before division.

Repair: Apply deductions before dividing the remaining area.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination A Answers and Explanations

Items 93–96 • Version 1.0

93. Q2-MA-093 • Answer A

₱700,000.

A • Correct. 3.5m × 20% = 700,000; the proposal is below the stated applicable floor.

B • The minimum is not a requirement to retain full cost.

C • That substitutes 5% for the 20% floor.

D • That retains a below-floor proposal.

Repair: Identify the applicable operating-machine floor.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

94. Q2-MA-094 • Answer C

Remove the duplicate deduction or restate the proceeds and costs consistently.

A • That does not coherently repair the net proceeds.

B • Risk does not justify repeating the identical cost.

C • Correct. The supplied net proceeds already include that allowance.

D • The relevant terminal benefit still needs inclusion.

Repair: Trace net and gross cash-flow definitions.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

95. Q2-MA-095 • Answer A

Evaluate relevant evidence reliability and consistency before concluding a supported indication.

A • Correct. Method count alone does not justify an arithmetic conclusion.

B • That substitutes result preference for evaluation.

C • Size does not establish reliability.

D • That imposes weights without evidential support.

Repair: Reconcile evidence rather than mechanically average outputs.

Topic P1 • Lessons 28. Source: R1 IVS 103 400 and original approach cases.

96. Q2-MA-096 • Answer A

Provenance date scale and positional-accuracy information suited to the enquiry.

A • Correct. Display precision can exceed underlying data accuracy.

B • Label size does not supply provenance.

C • That does not improve source accuracy.

D • The service does not adjudicate title.

Repair: Match spatial evidence precision to the question.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

Mock Examination A Answers and Explanations

Items 97–100 • Version 1.0

97. Q2-MA-097 • Answer D

Reconcile the area evidence and update the analysis and narrative consistently.

A • That may average different quantities.

B • Result preference does not verify area.

C • A disclaimer does not repair a known material contradiction.

D • **Correct.** Internal contradiction in a material input requires resolution.

Repair: Resolve material inputs throughout the report.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

98. Q2-MA-098 • Answer B

₱5.05 million.

A • That changes the expressly supplied adjustment order.

B • **Correct.** 5m × 1.04 − 0.15m = 5.05m.

C • That omits the site deduction.

D • That omits the time adjustment.

Repair: Respect each adjustment's base sign and sequence.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

99. Q2-MA-099 • Answer D

Evidence separating the relevant location influence from physical-quality differences.

A • That premise is not established.

B • The case includes another difference.

C • That does not isolate a price effect.

D • **Correct.** Otherwise the adjustment may combine two effects.

Repair: Avoid attributing combined effects to a single adjustment.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

100. Q2-MA-100 • Answer B

₱750,000.

A • That adds the outflows.

B • **Correct.** 950,000 − 130,000 − 70,000 = 750,000.

C • That omits transport.

D • That omits both outflows.

Repair: Use net proceeds appropriate to the disposal premise.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination A Topic Score Record

Name _____ Date _____ Total ____ / 100
Elapsed _____ First / repeated _____ Open / closed _____

Topic	Correct	Percentage	Repair priority
P1	____ / 25	____%	_____
P2	____ / 12	____%	_____
P3	____ / 15	____%	_____
P4	____ / 10	____%	_____
P5	____ / 10	____%	_____
P6	____ / 10	____%	_____
P7	____ / 10	____%	_____
P8	____ / 5	____%	_____
P9	____ / 3	____%	_____

Compare conditions

Topic percentage = correct / topic count × 100. The three current-events questions and five GIS questions have especially small denominators. Use their error patterns as prompts for review rather than calibrated mastery estimates.

Record uncertainty and time pressure alongside correctness. A repeated attempt measures retention of this form; it is not another fresh mock. Both mock forms complete the planned 600-question Questionnaire 2 bank after the 400 topic questions.

Mock Examination A Diagnostic Item Map

Open only after completing the examination. Match the numbers below to the exact printed form and content version.

P1 Appraisal Approaches

4, 7, 9, 13, 17, 18, 19, 23, 29, 44, 47, 49, 51, 53, 58, 61, 78, 80, 85, 86, 89, 94, 95, 98, 99

P2 Valuation Procedures and Research

16, 26, 34, 37, 39, 46, 57, 64, 66, 69, 77, 90

P3 Practical Appraisal Mathematics

5, 14, 15, 30, 32, 52, 54, 60, 67, 70, 73, 74, 76, 87, 92

P4 Appraisal Report Writing

2, 3, 10, 25, 38, 43, 50, 56, 71, 97

P5 Machinery and Equipment

8, 11, 24, 27, 36, 40, 72, 81, 83, 100

P6 Cases and Specialized Valuation

12, 22, 33, 63, 65, 68, 79, 82, 84, 88

P7 Assessment and Tax Application

20, 31, 35, 41, 45, 48, 55, 59, 91, 93

P8 Geographic Information Systems

21, 28, 42, 62, 96

P9 Current Events

1, 6, 75

Group recurring errors by base, sign, timing, asset boundary, source authority, right or reporting premise. Rebuild the decisive reasoning before a changed-facts retest.

Mock Examination A Error Repair Record

Item ID and topic _____

Original answer ____ Correct answer ____ Original confidence _____

Decisive fact or condition _____

Relevant rule source edition and date _____

Formula inputs units and timing _____

Closest distractor and why it fails _____

Rebuilt explanation or computation _____

Changed-facts retest _____

Result and next review _____

After both mock forms

Preserve both first-attempt forms and their versions. The back matter provides the full-volume lesson index, consolidated sources, correction record and study comparison.

Mock Examination A Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R1 IVS 103 and 400

IVS effective 31 January 2025. Conceptual background for approach choice, compatible income and rates, cost utility and specified property rights. Every case and numerical input is original.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R2 IVS scope data models and reporting

IVS 101, 104, 105 and 106 in the identified edition. The scenarios apply source, model, scope and reporting controls to their supplied facts. No source exercise is reproduced.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R3 Original mathematics and finance background

REALEX original numerical exercises. OpenStax Principles of Finance 2e sections 7 and 8 provide background for time value, rates and annuities. Dates, areas, margin bases and statistic conventions are supplied in the questions.

https://openstax.org/books/principles-finance-2e/pages/8-2-annuities

Mock Examination A Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R4 IVS 300 Plant Equipment and Infrastructure

Identified IVS edition. Background concerns asset identification, package boundaries, utility, integrated service, condition and valuation premises. Numerical cases are supplied arithmetic exercises, not market benchmarks.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R5 IVS 410 Development Property

Identified IVS edition. Development cases keep rights, remaining costs, timing and conditional scenarios explicit. The original special-use cases also distinguish service and operating-package benefits.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R6 RA 7160 assessment and RPT

Selected sections 199, 217–218, 224–226, 231, 233–235, 250 and 252. Read with later amendments and the specific remedy. Supplied valid rates, conditions and assessment inputs govern the fictional exercises.

https://lawphil.net/statutes/repacts/ra1991/ra_7160_1991.html

Mock Examination A Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R7 RA 12001 valuation reform

Selected sections 14–18 and 29–30. Conditional first-year caps identify eligible baselines. Historical relief conditions do not assert current eligibility. Valuation work and lawful tax-rate setting have distinct roles.

https://lawphil.net/statutes/repacts/ra2024/ra_12001_2024.html

R8 QGIS 3.40 GIS documentation

Vector Data, Raster Data, Coordinate Reference Systems, Vector Analysis and Vector General provide background. The original questions distinguish measurement, network access, record cardinality, footprint coverage and data authority.

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/index.html

R9 BSP RPPI transition and evidence

Official RPPI overview, technical notes and comparison describe the June 2025 transition from RREPI, bank housing-loan source data and hedonic estimation. Index context does not replace parcel-level appraisal.

https://www.bsp.gov.ph/Pages/MediaAndResearch/PublicationsAndReports/RPPI.aspx

Mock Examination A Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R10 IVSC announcement 30 January 2026

The dated announcement describes a consultation draft and a planned January 2027 issue with January 2028 effectivity. The question tests that identified source status rather than assumes the draft is already effective.

https://ivsc.org/ivs-exposure-draft-published-for-consultation/

R11 PRC July 2026 appraiser program

Professional Appraisal Practice carries 50% subject weight and has a four-hour session. The mock item count, topic allocations, marking and suggested practice conditions are editorial. The applicable 2027 program and detailed TOS require verification.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

R12 DOF valuation-manual introduction

Speech delivered 5 November 2025 and published 6 November identifies PVS third edition, Local Assessment Manual and Mass Appraisal Guidebook second edition. The BLGF third-edition online text identifies first printing 2025 and incorporation of IVS 2025.

https://www.dof.gov.ph/blgfs-lgu-finance-performance-awarding-electronic-or-valuation-launch/

Mock Examination A Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R13 RA 12252 foreign-investor lease amendment

2025 amendment of RA 7652 provides a conditional aggregate 99-year ceiling for qualifying private-land leases and addresses registration. A statutory maximum is not automatic ownership or extension of every lease.

https://www.lawphil.net/statutes/repacts/ra2025/ra_12252_2025.html

R14 Original RPVARA IRR historical window

The identified 2025 IRR section 56 states the original 5 July 2026 amnesty end date. Later developments must be separately verified. The source is circulated by BIR RMC 30-2025.

https://bir-cdn.bir.gov.ph/BIR/pdf/RMC%20No.%2030-2025v2.pdf

R15 REALEX original mock forms

Two distinct 100-item forms with versioned stable IDs, per-option explanations and original calculations. Comparison covers the 1,000 earlier series questions and the two forms against each other, not every question published elsewhere.

Course routes REALEX Questionnaire 2 Lessons 6 7 9 17 21–36

Mock Examination B

QUESTIONNAIRE 2 • Professional Appraisal Practice

100 fresh four-option questions
Q2-MB-001 to Q2-MB-100 • Version 1.0
2027 Preparation Edition • Prepared 13 October 2026
Russell Famisaran

This mixed-topic form tests methods, research, mathematical execution, reporting, asset boundaries, assessment and spatial and dated evidence. All questions are newly authored; the earlier 1,000 questions in the series and the other mock form are excluded from this authoring set.

Attempt instructions

Select one best answer A–D under the stated facts. Suggested closed-book practice duration is 240 minutes, corresponding to the four-hour Professional Appraisal Practice session in the published 2026 program. This is an editorial 100-item simulation; no official examination item count or 2027 topic quota is asserted. [R11]

Record attempt conditions and elapsed time. Keep solutions and the diagnostic map closed until completion. Editorial scoring is one point for correct and zero for wrong, blank or multiple responses. Preserve the initial response sheet before review.

Calculation conventions

38 numerical items have independent checks. Carry precision and round only as stated. Fictional rates, rights, tax conditions and technical inputs are supplied case premises. NOI precedes debt service and owner income tax. Historical updates retain their stated dates and document status.

Book pages	Contents
384	Topic coverage and conventions
385–386	Response sheets
387–411	100 mixed questions
412–413	Compact answer keys
414–438	Per-option explanations
439–441	Scores diagnostic map and error repair
442–446	Selected sources and currency notes

Mock Examination B Coverage and Conventions

Topic	Coverage	Items
P1	Appraisal Approaches	25
P2	Valuation Procedures and Research	12
P3	Practical Appraisal Mathematics	15
P4	Appraisal Report Writing	10
P5	Machinery and Equipment	10
P6	Cases and Specialized Valuation	10
P7	Assessment and Tax Application	10
P8	Geographic Information Systems	5
P9	Current Events	3

Simulation scope

Topic allocations follow the agreed editorial blueprint. The form simulates Professional Appraisal Practice separately from Questionnaire 1 Fundamentals. Printed question pages omit topic and lesson labels; explanations restore them for diagnostic review.

Keep the premises visible

Identify what is valued or measured before selecting a formula. Match asset boundaries, income definitions, time periods, rights and data units. A calculation does not establish permission, title, source accuracy or an unconditional market-value opinion.

Interpret performance

Intended difficulty is 25 easy, 50 moderate and 25 hard items based on editorial judgment. The forms are not psychometrically calibrated or demonstrated equivalent. Compare topic errors and reasoning rather than treating a score difference as an exact ability change.

Mock Examination B Answer Sheet

Items 1–50 • Version 1.0

Name _____ Date _____
First / repeated _____ Open / closed book _____
Started _____ Finished _____ Elapsed _____

Item	Response	Item	Response	Item	Response	Item	Response
1	A B C D	14	A B C D	27	A B C D	40	A B C D
2	A B C D	15	A B C D	28	A B C D	41	A B C D
3	A B C D	16	A B C D	29	A B C D	42	A B C D
4	A B C D	17	A B C D	30	A B C D	43	A B C D
5	A B C D	18	A B C D	31	A B C D	44	A B C D
6	A B C D	19	A B C D	32	A B C D	45	A B C D
7	A B C D	20	A B C D	33	A B C D	46	A B C D
8	A B C D	21	A B C D	34	A B C D	47	A B C D
9	A B C D	22	A B C D	35	A B C D	48	A B C D
10	A B C D	23	A B C D	36	A B C D	49	A B C D
11	A B C D	24	A B C D	37	A B C D	50	A B C D
12	A B C D	25	A B C D	38	A B C D		
13	A B C D	26	A B C D	39	A B C D		

Attempt notes

Correct ____ / 50; wrong ____; blank ____; multiple marks ____.
Uncertain items _____
Working-paper reference _____

Mark one choice per item. Check against this exact form and version after the full attempt.

Mock Examination B Answer Sheet

Items 51–100 • Version 1.0

Name _____ Date _____
First / repeated _____ Open / closed book _____
Started _____ Finished _____ Elapsed _____

Item	Response	Item	Response	Item	Response	Item	Response
51	A B C D	64	A B C D	77	A B C D	90	A B C D
52	A B C D	65	A B C D	78	A B C D	91	A B C D
53	A B C D	66	A B C D	79	A B C D	92	A B C D
54	A B C D	67	A B C D	80	A B C D	93	A B C D
55	A B C D	68	A B C D	81	A B C D	94	A B C D
56	A B C D	69	A B C D	82	A B C D	95	A B C D
57	A B C D	70	A B C D	83	A B C D	96	A B C D
58	A B C D	71	A B C D	84	A B C D	97	A B C D
59	A B C D	72	A B C D	85	A B C D	98	A B C D
60	A B C D	73	A B C D	86	A B C D	99	A B C D
61	A B C D	74	A B C D	87	A B C D	100	A B C D
62	A B C D	75	A B C D	88	A B C D		
63	A B C D	76	A B C D	89	A B C D		

Attempt notes

Correct ____ / 50; wrong ____; blank ____; multiple marks ____.
Uncertain items _____
Working-paper reference _____

Mark one choice per item. Check against this exact form and version after the full attempt.

Mock Examination B Questions

Items 1–4 • Select one best answer.

1. Q2-MB-001

Offer X quotes 12% nominal annual growth compounded semiannually; offer Y quotes 12.2% effective annual growth. With all other terms equal, what effective-rate difference follows?

A. The effective rates are equal.

B. X is higher by 0.16 percentage point.

C. Y is higher by 0.2 percentage point.

D. X is higher by 0.36 percentage point.

2. Q2-MB-002

A report cites a property-data table but leaves its source, retrieval date and verification status unrecorded. What improves the supporting record?

A. Delete the table's headings to save space.

B. Call every number verified without review.

C. Make the table border thicker.

D. Identify the source and date and explain material checks or limitations.

3. Q2-MB-003

A supplied market-extraction exercise has property sale value ₱9.5m, land allocation ₱2.5m and new improvement cost ₱8m. What implied total improvement loss follows?

A. ₱1 million.

B. ₱7 million.

C. ₱1.5 million.

D. ₱6.5 million.

4. Q2-MB-004

Under RA 12252's 2025 amendment, a qualifying foreign investor's private-land lease may have an aggregate term up to 99 years subject to the stated conditions. What does the ceiling itself establish?

A. All eligibility and registration conditions disappear.

B. A conditional maximum lease duration, not automatic ownership or automatic extension of an existing contract.

C. Every signed ten-year lease is automatically 99 years.

D. Every foreign tenant now owns the leased land.

Mock Examination B Questions

Items 5–8 • Select one best answer.

5. Q2-MB-005

A buyer finances ₱3.9m of a ₱6m verified purchase price. What deposit percentage follows, with no other costs?

A. 65%.

B. 35%.

C. ₱2.1 million.

D. 53.85%.

6. Q2-MB-006

A processing line's quoted sale includes spares, while the subject inventory excludes those spares. What adjustment enquiry is required?

A. Treat spare quantities as land area.

B. Use the entire package price unchanged because both are machines.

C. Reconcile the sale package and any supported spare-component allocation.

D. Add the spares to the subject automatically.

7. Q2-MB-007

A GIS area field correctly stores 0.45 km², but the output labels the number 0.45 as m² without conversion. What square-metre amount should be shown?

A. 450,000 m².

B. 0.45 m².

C. 450 m².

D. 4,500 m².

8. Q2-MB-008

A cost estimate uses a modern equivalent structure with lower operating cost, while the depreciation analysis still penalizes the old design's operating inefficiency. What should be investigated?

A. Whether the cost premise already eliminates the inefficiency and the deduction overlaps that correction.

B. Remove all physical condition allowances universally.

C. Retain every historical defect deduction regardless of the substitute.

D. Add the old operating penalty to land value.

Mock Examination B Questions

Items 9–12 • Select one best answer.

9. Q2-MB-009

A valuation report states a single amount without currency, scale or whether a table is in thousands. What should be clarified?

A. Only the number of decimals.

B. The currency and unit scale of all reported amounts.

C. That the largest printed number must be the total.

D. Only the owner's name.

10. Q2-MB-010

A supported alternative layout yields more saleable space but requires a costly approval process and structural works. What feasibility comparison is needed?

A. Ignore structural work because it is a capital cost.

B. Compare net dated benefits and costs with realistic permission assumptions.

C. Rank layouts only by gross floor area.

D. Treat potential approval as already obtained.

11. Q2-MB-011

A property NOI of ₱1.44m is used with a cap rate extracted from gross income, without adjustment. What consistency issue arises?

A. NOI should always equal gross rent.

B. The income definition and the extracted rate must be compatible.

C. Only currency conversion needs checking.

D. All cap rates are independent of income definition.

12. Q2-MB-012

A property's annual potential rent is ₱3m. Vacancy and collection loss applies at 10% of that rent; other income is ₱150,000 and operating expenses ₱850,000. What NOI follows?

A. ₱1.985 million.

B. ₱2.3 million.

C. ₱1.85 million.

D. ₱2 million.

Mock Examination B Questions

Items 13–16 • Select one best answer.

13. Q2-MB-013

A valid provincial RPT worksheet uses assessed value ₱900,000 and a 1% basic rate, but labels ₱18,000 as basic tax. What overstatement in that basic line follows?

A. ₱90,000.

B. ₱18,000.

C. ₱9,000.

D. ₱900,000.

14. Q2-MB-014

A supplied resort allocation has total operating benefit ₱4m annually, with 40% attributable to excluded business and equipment assets. The remaining property income is capitalized at a compatible 8%. What property indication follows?

A. ₱50 million.

B. ₱30 million.

C. ₱2.4 million.

D. ₱20 million.

15. Q2-MB-015

A component is physically sound but lacks software access needed for its supplied service premise. What utility issue should be investigated?

A. Assume all software is irrelevant to modern machinery.

B. Whether required software rights and access are available and how their absence affects usable service.

C. Extend the owner's rights automatically because the machine is sound.

D. Treat hardware appearance as proof that software rights transfer.

16. Q2-MB-016

A reserve starts at ₱100,000 now, earns 10% for one year and receives another ₱40,000 at year 1 end. What balance follows immediately after that deposit?

A. ₱154,000.

B. ₱140,000.

C. ₱150,000.

D. ₱110,000.

Mock Examination B Questions

Items 17–20 • Select one best answer.

17. Q2-MB-017

A property-value exercise increases NOI from ₱900,000 to ₱990,000 while retaining the compatible cap rate at 9%. What increase in indicated value follows?

A. ₱1 million.

B. ₱11 million.

C. ₱10 million.

D. ₱90,000.

18. Q2-MB-018

In a stipulated cost-price exercise, profit must equal 20% of selling price, and all costs before profit total ₱800,000. What selling price satisfies that margin?

A. ₱4 million.

B. ₱1 million.

C. ₱800,000.

D. ₱960,000.

19. Q2-MB-019

A remote inspection statement relies on images recorded before a major alteration. What evidence issue should the statement disclose?

A. That a remote image proves every interior detail was inspected.

B. That alteration costs automatically verify completed works.

C. Image date and the unresolved relevance to the subject's current or required-date condition.

D. That high image resolution guarantees currentness.

20. Q2-MB-020

A cost indication is ₱18m for the entire property and the supported depreciated improvement amount is ₱11.4m. In a supplied allocation exercise, what implied land component follows?

A. ₱18 million.

B. ₱6.6 million.

C. ₱29.4 million.

D. ₱11.4 million.

Mock Examination B Questions

Items 21–24 • Select one best answer.

21. Q2-MB-021

A map uses a correctly identified geographic CRS, and another uses a projected CRS. They appear aligned on screen. What can be inferred about their stored coordinate units?

A. Both must store metres because they align.

B. Both must store degrees regardless of metadata.

C. Screen alignment does not establish that both stored datasets use the same units.

D. The units equal the current zoom ratio.

22. Q2-MB-022

A workfile has an unsigned rent schedule and verified lease extracts with conflicting escalations. What research action is warranted?

A. Describe the unsigned schedule as executed because it has a table.

B. Average the conflicting escalation percentages automatically.

C. Investigate the operative terms and reconcile the conflict before forecasting rents.

D. Use whichever escalation gives the larger value.

23. Q2-MB-023

A comparable's actual sale date is after the valuation date during a sharp market shift. What use requires support?

A. Whether and how the later transaction informs conditions at the earlier date.

B. Assume every later transaction is irrelevant without enquiry.

C. Use it unchanged because verification is complete.

D. Rewrite its sale date to the valuation date.

24. Q2-MB-024

A supplied timely eligible amnesty exercise has tax principal ₱56,000, covered surcharges ₱6,000 and interest ₱14,000. What covered addition is waived under the stipulated section 30 conditions?

A. ₱14,000.

B. ₱56,000.

C. ₱20,000.

D. ₱76,000.

Mock Examination B Questions

Items 25–28 • Select one best answer.

25. Q2-MB-025

A report's final amount is ₱14.72m, but its executive summary rounds it to ₱15.7m by mistake. Which editorial check is required?

A. Use whichever amount the reader prefers.

B. Reconcile the summary to the actual conclusion and any stated rounding convention.

C. Explain the difference as market uncertainty without evidence.

D. Revise only the report date.

26. Q2-MB-026

A valid bill lists annual basic RPT ₱16,000 and SEF ₱8,000. Half the year is still unpaid, with no interest or other charges in this exercise. What remaining principal follows?

A. ₱16,000.

B. ₱24,000.

C. ₱12,000.

D. ₱8,000.

27. Q2-MB-027

A supplied cost-to-cure exercise compares controller replacement ₱280,000 with supported resulting benefit ₱190,000. What net economic result follows?

A. A ₱90,000 surplus.

B. A ₱470,000 benefit.

C. A ₱190,000 surplus.

D. A ₱90,000 shortfall of benefit relative to cost.

28. Q2-MB-028

Two income methods differ because one subtracts reserve expenditures while the other's extracted rate assumes a different treatment. What should be aligned?

A. The number of decimal places alone.

B. Only the model's file format.

C. Cash-flow inclusions and rate conventions before comparing results.

D. The owner's preferred amount.

Mock Examination B Questions

Items 29–32 • Select one best answer.

29. Q2-MB-029

A prior report is incorporated into a current one without noting that its inspection and market evidence predate substantial site works. What review is needed?

A. Use all prior observations unchanged because the report was signed.

B. Remove every historical reference, including useful evidence.

C. Assess which prior material remains relevant and disclose the updated work and remaining limits.

D. Only reprint the prior cover with a current year.

30. Q2-MB-030

A comparable's ₱7m package comprises land ₱3m and improvements ₱4m. The stipulated quality deduction is 10% of improvements only. What adjusted package indication follows?

A. ₱6.6 million.

B. ₱7.4 million.

C. ₱6.3 million.

D. ₱2.7 million.

31. Q2-MB-031

The instructed result is real property value, but the report's conclusion silently adds an equipment allocation not included in scope. What should be reconciled?

A. The reported subject and included asset components with the instruction.

B. Leave the addition because it increases collateral value.

C. Treat all movable assets as land by default.

D. Remove the scope page rather than the inconsistency.

32. Q2-MB-032

A line is valued for removal, but its forecast includes plant-specific benefits requiring an installation that the buyer cannot retain. What premise issue needs resolution?

A. A higher transport charge establishes installed benefits.

B. All installed benefits transfer automatically with detached machinery.

C. Whether those installed benefits are obtainable under the stated removal scenario.

D. Removal value must equal the whole plant's operating value.

Mock Examination B Questions

Items 33–36 • Select one best answer.

33. Q2-MB-033

A price dataset contains 18 houses and 12 condominium units, but an analyst reports a 60% condominium share. What correct condominium share follows?

A. 40%.

B. 60%.

C. 66.67%.

D. 12%.

34. Q2-MB-034

A property's compatible market capitalization rate is 7.5%. What annual NOI would support a ₱32m indication under a direct-cap exercise?

A. ₱426.667 million.

B. ₱2.4 million.

C. ₱240,000.

D. ₱4.267 million.

35. Q2-MB-035

A stabilized NOI figure assumes full occupancy, but current market evidence supports recurring vacancy. What modelling review is needed?

A. Add vacancy as other income.

B. Define stabilized income as full potential rent universally.

C. Deduct the full property value from rent.

D. Evaluate a supportable stabilized vacancy and collection premise.

36. Q2-MB-036

For five ordered observations 10, 12, 14, 16 and 18, use the stipulated convention that excludes the median when finding lower and upper half medians. What interquartile range follows?

A. 6.

B. 14.

C. 4.

D. 8.

Mock Examination B Questions

Items 37–40 • Select one best answer.

37. Q2-MB-037

An assessor's revised valuation is under appeal. A forecast assumes the appeal itself cancels all current RPT collection. What LGC distinction is needed?

A. An assessment appeal does not by itself suspend collection under section 231.

B. Every appeal extinguishes the property's lien.

C. An appeal is the same as a final favorable decision.

D. Only market demand determines whether collection continues.

38. Q2-MB-038

A case contains two alternate dated scenarios and a separate remediation cost already included in both. The reviewer deducts it again from each result before comparing them. What should be checked?

A. The repeated cost and whether any genuinely distinct effect supports an additional adjustment.

B. Add the cost to the property total as compensation.

C. Two scenarios always require twice the remediation payment in each.

D. Remove every remediation premise entirely.

39. Q2-MB-039

An analyst uses a sales median from the full district to infer a rare industrial site's unit value without investigating asset mix. What should be tested?

A. Every industrial site equals the district's largest sale.

B. The median necessarily values every property in the district.

C. Whether the district observations are relevant to the site's market and characteristics.

D. Geography makes property type irrelevant universally.

40. Q2-MB-040

A plant's utility requires several machines working together. A sum of isolated resale prices is presented as its installed-system value without review. What should be investigated?

A. Each component must be assigned a universal identical value.

B. The largest single machine price equals the whole plant.

C. Integration dependencies and premise differences between isolated resale and the operating system.

D. The sum is universally correct for every integrated plant.

Mock Examination B Questions

Items 41–44 • Select one best answer.

41. Q2-MB-041

A data source changed its area field from interior area to gross area midseries without version notes. What should be reconstructed?

A. Treat every period as identical because the units are m².

B. The definition change and which observations use each basis.

C. Use only the highest rates after the change.

D. Convert all rates to another currency to remove the change.

42. Q2-MB-042

A facility's legal use restriction is material, but a model assigns unrestricted retail benefits and applies a general physical-depreciation percentage as the only correction. What is needed?

A. Omit the restriction from the narrative.

B. Use the unrestricted result because demand is stronger.

C. Every restriction is automatically cured by physical repairs.

D. Analyse the restriction's actual effect on the subject's obtainable uses and benefits.

43. Q2-MB-043

A flood raster has a coarse cell size and a parcel intersects several cells with different labels. A draft reports the parcel's condition using only its centroid cell. What coverage review is needed?

A. A smaller text label increases source resolution.

B. Every intersected cell proves the same level of actual damage.

C. Assess whether point sampling adequately represents the parcel footprint and the source resolution.

D. The centroid always guarantees parcel-wide uniformity.

44. Q2-MB-044

A property has a short remaining contractual income term, with no supplied residual right. A model capitalizes the annual benefit perpetually. What method limitation matters?

A. A short term always makes all benefits worthless.

B. Construction cost extends the right's term.

C. A finite benefit term needs a model reflecting its expiry and the stated terminal rights.

D. A higher perpetual cap rate automatically proves the term is represented.

Mock Examination B Questions

Items 45–48 • Select one best answer.

45. Q2-MB-045

A stipulated capacity comparison has modern substitute output 500 units/hour and subject output 350 units/hour. What subject-to-substitute capacity ratio follows?

A. 30%.

B. 150%.

C. 142.86%.

D. 70%.

46. Q2-MB-046

A reviewer cannot tell whether a property's demolition is an existing fact or a future assumption. What should the report distinguish?

A. Observed condition from the scenario premise and its effects on costs and benefits.

B. Only the demolition contractor's logo.

C. Treat any demolition estimate as proof the work happened.

D. Describe both demolished and standing states as current simultaneously.

47. Q2-MB-047

A plan's gross floor area is 2,400 m² and net lettable area is 1,860 m². What efficiency ratio follows?

A. 22.5%.

B. 54%.

C. 129.03%.

D. 77.5%.

48. Q2-MB-048

A research report cites a vendor's claim as an independent expert's finding, but no expert analysis was obtained. What should be corrected?

A. Replace verification with the sale brochure design.

B. Delete the vendor's name and call it consensus.

C. Attribute the claim to its actual source and assess its verification needs.

D. Keep the expert label if the vendor is confident.

Mock Examination B Questions

Items 49–52 • Select one best answer.

49. Q2-MB-049

A supplied model treats four equal ₱75,000 operating receipts as occurring at year 1 end together. At 10%, what combined PV follows? Round to the nearest peso.

A. ₱300,000.

B. ₱237,740.

C. ₱272,727.

D. ₱68,182.

50. Q2-MB-050

A local tax file contains an exemption claim but no evidence that the stated use conditions are met. What assessment-review action is appropriate?

A. Use the highest comparable sale as an exemption test.

B. Grant every exemption because the form is signed.

C. Reject every exemption without reviewing evidence.

D. Investigate the claimed exemption's actual conditions and supporting records.

51. Q2-MB-051

An income forecast records rent received at the beginning of each annual period, but its DCF discounts every payment as a year-end receipt. What timing correction is needed?

A. Keep all receipts at year end because annual rent is involved.

B. Remove the first receipt from the model.

C. Add one full year of growth to replace timing adjustment.

D. Use the actual beginning-period dates, including any time-zero receipt.

52. Q2-MB-052

A property will receive net sale proceeds ₱12.1m at year 2 end. What present terminal contribution follows at 10%, assuming no other flows?

A. ₱12.1 million.

B. ₱11 million.

C. ₱14.641 million.

D. ₱10 million.

Mock Examination B Questions

Items 53–56 • Select one best answer.

53. Q2-MB-053

A supplied eligible first-year RPVARA case has old SEF ₱9,000 and a new calculated SEF ₱8,200. What amount follows under the section 29 maximum-increase rule?

A. ₱9,540.

B. ₱540.

C. ₱8,200.

D. ₱9,000.

54. Q2-MB-054

A project costs ₱1m now and pays ₱400,000 at year 1 end. At 10%, what year-2 receipt is needed for zero NPV? Round to the nearest peso.

A. ₱660,000.

B. ₱600,000.

C. ₱1.21 million.

D. ₱770,000.

55. Q2-MB-055

A report's rent model uses one lease expiry date while its stated assumptions use a date two years later. What must be resolved?

A. Ignore expiry because the annual rent is correct.

B. Use the later date because it supports more rent.

C. Average both dates automatically.

D. The operative term and its consistent use throughout the model and report.

56. Q2-MB-056

A fractional interest has a restriction on transfer to outsiders but no restriction on its stated income share. What analysis should avoid conflating those features?

A. Assess income rights and transfer limitations separately before judging their combined economic effect.

B. Assume transfer restriction automatically erases income.

C. Use an arbitrary identical discount for all fractional interests.

D. Ignore transfer restrictions because income is positive.

Mock Examination B Questions

Items 57–60 • Select one best answer.

57. Q2-MB-057

A specialised building depends on a nearby privately controlled access route. Access continuation is uncertain, yet the case assumes secure operation. What evidence issue is decisive?

A. The existing owner's assurance always settles the right.

B. A satellite line proves permanent access rights.

C. Investigate the access rights and their effect on the instructed operating premise.

D. A wide entrance eliminates every access restriction.

58. Q2-MB-058

An investigator can inspect only a nonrandom set of easily accessible properties. Which limitation should be considered?

A. Sample size alone proves every location is represented.

B. Every inaccessible parcel must have lower value.

C. All accessible samples are necessarily unbiased.

D. Accessibility selection may affect representativeness of the target portfolio.

59. Q2-MB-059

A research audit has 160 candidate transactions, 24 confirmed duplicates and 16 distinct records lacking a required verified field. The groups do not overlap. What usable count remains after the stated exclusions?

A. 144.

B. 136.

C. 200.

D. 120.

60. Q2-MB-060

A subject's parking is inferior to a comparable's by a supported ₱200,000, but its access is superior by ₱350,000. Starting price is ₱6m and no other adjustments apply. What adjusted comparable indication follows?

A. ₱6.15 million.

B. ₱5.45 million.

C. ₱6.55 million.

D. ₱5.85 million.

Mock Examination B Questions

Items 61–64 • Select one best answer.

61. Q2-MB-061

A rectangular plot is 0.8 ha and its uniform width is 40 m. What depth follows in this planar exercise?

A. 200 m.

B. 8,000 m.

C. 320 m.

D. 20 m.

62. Q2-MB-062

A concession permits service operation for three more years but supplies no land ownership and no terminal disposal benefit. What boundary should its model respect?

A. Include freehold land sale because operation occurs on land.

B. The defined service rights term and obligations, excluding unsupported land-sale proceeds.

C. Assume the concession includes every neighboring site.

D. Extend the term to match the physical building life.

63. Q2-MB-063

A specialist machine has only one observed sale, involving compulsory disposal and uncertain condition. What evidential assessment is needed?

A. Use the machine's serial number as its monetary value.

B. Reject the sale solely because the price has decimals.

C. One sale always establishes market value exactly.

D. Investigate transaction conditions and technical comparability before treating the price as market evidence.

64. Q2-MB-064

The original 2025 RPVARA IRR identified 5 July 2026 as the end of its amnesty window. What should a historical study note preserve when later developments are researched?

A. Replace the original date with the latest rumor.

B. Treat that date as cancelling all principal tax automatically.

C. Describe the original window as unlimited.

D. The original rule's date and context, with any later change separately verified and recorded.

Mock Examination B Questions

Items 65–68 • Select one best answer.

65. Q2-MB-065

A mixed-use property's permitted shop use differs from the owner's proposed unapproved clinic use. The client asks for the current interest. What case premise should govern the current-use analysis?

A. Value only the owner's business plan and ignore the instructed property.

B. Use the clinic scheme as an unconditional current fact.

C. Investigate the actual permitted and used conditions, with the clinic proposal identified separately if analysed.

D. Treat any proposed use as legally impossible forever.

66. Q2-MB-066

A client's abbreviated report request would remove a material assumption needed to understand the conclusion. What should remain in the delivered communication?

A. The material premise and sufficient context to understand the reported result.

B. A generic statement that every assumption is unknown.

C. Only the amount and signature regardless of context.

D. The client's preferred amount instead of the analysed conclusion.

67. Q2-MB-067

A reviewer reproduces a spreadsheet result but cannot identify which version of the source dataset was used. What control improves reproducibility?

A. Keep only the author's assurance that nothing changed.

B. Retain the dataset version transformations and relevant calculation record.

C. Retain only the final rounded amount.

D. Rename every dataset final without version information.

68. Q2-MB-068

A scenario changes both construction cost and completion date together. The resulting value decline is described as the cost-only sensitivity. What should be clarified?

A. The scenario combines two input changes and does not isolate the cost effect.

B. Average the date labels to isolate cost.

C. Assume completion date has no time-value effect.

D. Call every joint change a pure cost effect.

Mock Examination B Questions

Items 69–72 • Select one best answer.

69. Q2-MB-069

A forecast deducts financing interest in project cash flows and also uses a return target defined for the unlevered project without reconciling financing. What modelling boundary needs attention?

A. Financing never affects any cash-flow model.

B. Whether cash flows and required return refer to the same financing perspective.

C. A loan balance is the same as developer profit.

D. All project interest must be counted twice.

70. Q2-MB-070

A lender's comparable table quotes sales with unusually favorable seller financing but compares them with an all-cash subject premise. What first adjustment issue requires support?

A. The cash-equivalent effect of the financing terms.

B. The seller's personal income tax alone.

C. An automatic zero price for every financed sale.

D. A physical-condition deduction equal to the loan amount.

71. Q2-MB-071

A machine was recently overhauled, but the draft assumes zero physical loss solely from the invoice amount. What evidence is needed?

A. Full physical loss whenever the serial number is old.

B. The actual scope and outcome of the works and the machine's resulting condition.

C. Zero loss whenever an invoice is recent.

D. The owner's tax bracket only.

72. Q2-MB-072

A property's current commercial use is undisputed, but the classification review uses only an outdated residential marketing brochure. Which evidence should govern the actual-use enquiry?

A. The number of pages in the brochure.

B. The earliest advertised intended use in every case.

C. The buyer's preferred lower-tax category.

D. The established current predominant use of the subject property.

Mock Examination B Questions

Items 73–76 • Select one best answer.

73. Q2-MB-073

A property-only income model estimates a positive amount, but comparable evidence suggests a large access constraint not represented in the forecast. What must be reviewed?

A. Whether the forecast captures the constraint's relevant effect on use income costs or risk.

B. The comparable evidence must always replace the entire forecast without review.

C. The condition can be cured by formatting the report.

D. The access constraint must be ignored because income is positive.

74. Q2-MB-074

A supplied special-use right produces ₱330,000 at year 1 end and ₱363,000 at year 2 end. Both expire thereafter with no terminal benefit. At 10%, what PV follows?

A. ₱3.3 million.

B. ₱693,000.

C. ₱600,000.

D. ₱630,000.

75. Q2-MB-075

DOF's November 2025 valuation-manual introduction included the PVS third edition. A study sheet still labels an older file current without identifying its edition. What update is appropriate?

A. Discard all Philippine guidance because the manual is newer.

B. Identify the relevant third-edition source and verify which provisions and dates govern the topic.

C. Rename the old file third edition without reading it.

D. Assume every paragraph changed solely because the edition number increased.

76. Q2-MB-076

A machinery buyer must pay ₱800,000 for equipment and ₱120,000 reinstatement plus ₱80,000 commissioning to reach the supplied operating premise. What buyer outlay follows?

A. ₱600,000.

B. ₱1 million.

C. ₱800,000.

D. ₱920,000.

Mock Examination B Questions

Items 77–80 • Select one best answer.

77. Q2-MB-077

A valuation research brief asks for local office rents, but the collected data are serviced-desk fees including utilities and support staff. What research repair is needed?

A. Multiply the fee by the broker's age.

B. Define and verify the occupancy package and obtain comparable rent evidence or supported allocations.

C. Discard all office evidence because services exist.

D. Use every desk fee unchanged as bare office rent.

78. Q2-MB-078

A parcel layer's identifier is unique, but a join table contains three annual records for each parcel. A one-to-many join creates three mapped records per polygon. What should be understood before interpreting parcel counts?

A. Duplicate mapped rows establish three owners automatically.

B. The join proves every parcel was subdivided into three.

C. The resulting record multiplicity reflects the table's observation unit, not three distinct parcels.

D. The geometry should be tripled in area to match the records.

79. Q2-MB-079

An investment of ₱250,000 today grows to ₱302,500 in two years with annual compounding and no other flows. What annual rate follows?

A. 21%.

B. 10%.

C. 10.5%.

D. 5%.

80. Q2-MB-080

A combined levy is stipulated at 2.5% of assessed value. The annual tax is ₱35,000. What assessed base reproduces that amount?

A. ₱14 million.

B. ₱1.4 million.

C. ₱875.

D. ₱350,000.

Mock Examination B Questions

Items 81–84 • Select one best answer.

81. Q2-MB-081

In a stipulated development comparison, scheme X has same-date net benefit ₱16m and scheme Y ₱19m, but Y requires an additional ₱4m cost not yet included. What net ranking follows?

A. Scheme Y exceeds X by ₱7 million.

B. Scheme Y exceeds X by ₱3 million.

C. Scheme X exceeds scheme Y by ₱1 million.

D. Both produce ₱19 million.

82. Q2-MB-082

Two measurements describe one building: surveyed external area and tenant-lettable area. Both are correct for their own definitions. What reconciliation is needed?

A. Use the larger area for every purpose.

B. Declare one fraudulent solely because they differ.

C. Average them into a universally correct building area.

D. Retain their definitions and choose the measure appropriate to each calculation.

83. Q2-MB-083

Comparable sale prices appear similar, but one includes a tenant's equipment while the subject instruction excludes it. What comparability enquiry is needed?

A. Price similarity proves identical packages.

B. Include equipment in the subject without changing the instruction.

C. Discard all leases rather than analyse the sale package.

D. Determine and reconcile the included asset package before using the price as property-only evidence.

84. Q2-MB-084

In a value comparison, one indication assumes completed refurbishment while another reflects present unrefurbished condition. What should precede their reconciliation?

A. Adopt their midpoint as if their premises match.

B. Align or clearly distinguish condition premises and the costs and timing of the assumed works.

C. Erase the current-condition analysis.

D. Choose refurbishment solely because it is a newer method.

Mock Examination B Questions

Items 85–88 • Select one best answer.

85. Q2-MB-085

A supplier quotes ₱2.9m for a machine including ₱180,000 freight and ₱220,000 installation. The analyst adds both charges again. What corrected installed cost follows, assuming no other items?

A. ₱400,000.

B. ₱2.5 million.

C. ₱3.3 million.

D. ₱2.9 million.

86. Q2-MB-086

A developer's profit allowance equals 15% of completed gross receipts ₱50m. Other stipulated costs total ₱33m and selling costs ₱2m. What land residual follows at the supplied common date?

A. ₱10.05 million.

B. ₱15 million.

C. ₱9.5 million.

D. ₱7.5 million.

87. Q2-MB-087

A property's independent technical estimate uses a service standard no longer required under the stipulated assignment. What should the case reviewer assess?

A. Change only the estimate's cover year.

B. Whether the cost scope overstates the currently required equivalent service.

C. Discard all specialist input permanently.

D. Every expert estimate is applicable to every scope.

88. Q2-MB-088

A planar route contains perpendicular segments of 300 m and 400 m. What difference between route length and endpoint straight-line distance follows?

A. 100 m.

B. 500 m.

C. 200 m.

D. 700 m.

Mock Examination B Questions

Items 89–92 • Select one best answer.

89. Q2-MB-089

An appraiser's supplied rate range is ₱14,000–₱18,000 per m² on 600 m². What monetary spread between the range endpoints follows?

A. ₱2.4 million.

B. ₱10.8 million.

C. ₱4,000.

D. ₱9.6 million.

90. Q2-MB-090

A report's heading says market value, but the analysis is an owner-specific forecast including a unique personal benefit unavailable to typical market participants. What needs review?

A. Whether the analysis supports the stated value basis or must be revised or relabeled under the appropriate basis.

B. Omit the unique benefit from the narrative but retain it in value.

C. Keep the heading because it is familiar.

D. Increase the discount rate by an arbitrary amount to erase the distinction.

91. Q2-MB-091

A comparable is smaller than the subject, but the analysis applies its whole-property sale price as if area were equal. What should be investigated?

A. An adjustment equal to the difference in parcel IDs.

B. A universal proportional rule for every property size.

C. The subject owner's income as the size adjustment.

D. Size relevance and a supported comparison measure or adjustment.

92. Q2-MB-092

At a stated monthly rate of 1%, a ₱700,000 opening loan balance accrues interest and then receives a ₱20,000 payment. How much of that payment reduces principal?

A. ₱13,000.

B. ₱7,000.

C. ₱27,000.

D. ₱20,000.

Mock Examination B Questions

Items 93–96 • Select one best answer.

93. Q2-MB-093

A development cost budget increases from ₱36m to ₱39.6m while the number of units remains 60. What increase in cost per unit follows?

A. ₱660,000 per unit.

B. ₱60,000 per unit.

C. ₱3.6 million per unit.

D. ₱600,000 per unit.

94. Q2-MB-094

A report says that a valuation resolves a disputed title claim conclusively, although it contains only a scenario based on supplied rights. What conclusion repair is necessary?

A. Describe the assumed or established subject rights without claiming a legal adjudication the appraisal did not perform.

B. Delete every rights reference.

C. Use a more formal signature to make it a judgment.

D. Adopt whichever party requested the higher value as owner.

95. Q2-MB-095

A property is appraised using the maximum land assessment percentage as if that percentage were a statutory market-value discount. What should be clarified?

A. An assessment level derives taxable assessed value from the relevant market-value base; it is not a universal market-value reduction.

B. Every tax-derived amount is automatically a loan valuation.

C. Every property market value is its asking price times the maximum level.

D. All assessment levels are mortgage interest rates.

96. Q2-MB-096

An SMV preparation team holds one public consultation and regards an internal staff meeting as the second consultation. What section 15 requirement should be checked?

A. Two mandatory public consultations within the stated pre-submission period.

B. Only a private meeting with one large taxpayer.

C. No public consultation if the assessor is licensed.

D. A consultation after every tax payment instead of before submission.

Mock Examination B Questions

Items 97–100 • Select one best answer.

97. Q2-MB-097

A forecast model achieves low error for common units but has no validated specialised-facility observations. What should its applicability statement acknowledge?

A. The model is accurate for every property because average error is low.

B. The facility value must be zero.

C. The untested facility domain and need for suitable evidence or a different analysis.

D. All model coefficients should be doubled.

98. Q2-MB-098

An appraiser estimates floor-finish replacement cost in a cost approach, but the adopted unit rate already includes those finishes. What check avoids an inflated amount?

A. Remove every finish from the specification.

B. Treat finish cost as site area.

C. Add it because separately named costs are always independent.

D. Reconcile component inclusions before adding the finish cost.

99. Q2-MB-099

A payment-protest worksheet under section 252 treats the treasurer's 60-day decision period as running from the original property purchase date. What trigger should replace it?

A. The next general revision date.

B. The property's construction commencement.

C. The date the taxpayer obtained a loan.

D. Receipt of the written protest by the treasurer.

100. Q2-MB-100

A sale's record price is reliable, but its area is estimated from an unverified sketch. Which unit-rate limitation remains?

A. No limitation because the price was confirmed.

B. The rate becomes exact after rounding.

C. Every sketch area is legally surveyed area.

D. The denominator uncertainty affects the reliability of the computed rate.

Mock Examination B Compact Answer Key

Items 1–50 • Review after completing the full form.

Item	Key	Item	Key	Item	Key	Item	Key
1	B	14	B	27	D	40	C
2	D	15	B	28	C	41	B
3	A	16	C	29	C	42	D
4	B	17	A	30	A	43	C
5	B	18	B	31	A	44	C
6	C	19	C	32	C	45	D
7	A	20	B	33	A	46	A
8	A	21	C	34	B	47	D
9	B	22	C	35	D	48	C
10	B	23	A	36	A	49	C
11	B	24	C	37	A	50	D
12	D	25	B	38	A		
13	C	26	C	39	C		

Scoring

Combine both response sheets: total correct _____ / 100 = _____%. Review uncertain correct responses as well as errors. Keep the first-attempt record distinct from any later repeated attempt.

Mock Examination B Compact Answer Key

Items 51–100 • Review after completing the full form.

Item	Key	Item	Key	Item	Key	Item	Key
51	D	64	D	77	B	90	A
52	D	65	C	78	C	91	D
53	C	66	A	79	B	92	A
54	D	67	B	80	B	93	B
55	D	68	A	81	C	94	A
56	A	69	B	82	D	95	A
57	C	70	A	83	D	96	A
58	D	71	B	84	B	97	C
59	D	72	D	85	D	98	D
60	A	73	A	86	D	99	D
61	A	74	C	87	B	100	D
62	B	75	B	88	C		
63	D	76	B	89	A		

Scoring

Combine both response sheets: total correct _____ / 100 = _____%. Review uncertain correct responses as well as errors. Keep the first-attempt record distinct from any later repeated attempt.

Mock Examination B Answers and Explanations

Items 1–4 • Version 1.0

1. Q2-MB-001 • Answer B

X is higher by 0.16 percentage point.

A • 12.36% and 12.2% are not equal.

B • Correct. X effective = $(1 + 0.12 / 2)^2 - 1 = 12.36\%$; 12.36% − 12.2% = 0.16 percentage point.

C • That compares a nominal quotation with an effective quotation directly.

D • That compares X with its own nominal rate rather than Y.

Repair: Convert quoted rates to a common effective basis before comparing.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

2. Q2-MB-002 • Answer D

Identify the source and date and explain material checks or limitations.

A • That reduces interpretability.

B • That overstates the work.

C • Design does not establish evidence.

D • Correct. An unexplained table does not show evidential provenance.

Repair: Retain enough provenance for the evidence to be evaluated.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

3. Q2-MB-003 • Answer A

₱1 million.

A • Correct. Improvement value = 9.5m − 2.5m = 7m; loss = 8m − 7m = 1m.

B • That is the extracted improvement value rather than loss.

C • That compares sale value with new improvement cost on different scopes.

D • That deducts land from new cost without extracting improvement value.

Repair: Keep extraction components on a common asset boundary.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

4. Q2-MB-004 • Answer B

A conditional maximum lease duration, not automatic ownership or automatic extension of an existing contract.

A • The amendment retains stated conditions.

B • Correct. The actual qualifying contract and its rights still require review.

C • A statutory ceiling does not rewrite each term.

D • Lease tenure is not land ownership.

Repair: Distinguish a statutory limit from the actual contracted interest.

Topic P9 • Lessons 35. Source: R13 RA 12252 amendment to Investors Lease Act.

Mock Examination B Answers and Explanations

Items 5–8 • Version 1.0

5. Q2-MB-005 • Answer B

35%.

A • That is the financed share.

B • **Correct.** Unfinanced portion = 6m − 3.9m = 2.1m; 2.1m / 6m = 35%.

C • That is a monetary deposit rather than a percentage.

D • That divides the deposit by the loan rather than price.

Repair: Use the requested unfinanced share and price base.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

6. Q2-MB-006 • Answer C

Reconcile the sale package and any supported spare-component allocation.

A • They describe different assets.

B • Equipment category alone does not align contents.

C • **Correct.** A package mismatch can distort the machine-only comparison.

D • That changes the inventory instruction.

Repair: Compare the actual included asset packages.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

7. Q2-MB-007 • Answer A

450,000 m².

A • **Correct.** 1 km² = 1,000,000 m²; 0.45 km² = 450,000 m².

B • That retains the mislabeled number.

C • That applies a linear thousandfold conversion to area.

D • That uses an incorrect conversion factor.

Repair: Square the linear unit factor when converting area.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

8. Q2-MB-008 • Answer A

Whether the cost premise already eliminates the inefficiency and the deduction overlaps that correction.

A • **Correct.** A modern substitute may not carry the old design's defect.

B • Other losses may remain relevant.

C • That can duplicate the same effect.

D • That does not reconcile the premise.

Repair: Apply losses to the asset represented by the cost estimate.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 9–12 • Version 1.0

9. Q2-MB-009 • Answer B

The currency and unit scale of all reported amounts.

A • Decimals do not establish currency or scale.

B • **Correct.** Readers cannot reliably interpret an unlabeled magnitude.

C • Size does not define meaning.

D • That does not identify monetary units.

Repair: Label financial units consistently.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

10. Q2-MB-010 • Answer B

Compare net dated benefits and costs with realistic permission assumptions.

A • Capital outflows are material to development feasibility.

B • **Correct.** More area alone does not establish a superior residual.

C • The comparison also needs costs and constraints.

D • That overstates permission.

Repair: Evaluate net alternatives under their actual constraints.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

11. Q2-MB-011 • Answer B

The income definition and the extracted rate must be compatible.

A • Operating deductions can separate them.

B • **Correct.** A gross-income relationship need not fit NOI.

C • Currency consistency does not resolve the income basis.

D • That ignores how a rate is derived.

Repair: Match the capitalization rate to its income measure.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

12. Q2-MB-012 • Answer D

₱2 million.

A • That applies the rent-loss percentage to other income as well.

B • That omits the rent loss.

C • That omits other income.

D • **Correct.** 3m × 0.90 + 0.15m − 0.85m = 2m.

Repair: Respect the specified income-loss base and other receipts.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 13–16 • Version 1.0

13. Q2-MB-013 • Answer C

₱9,000.

A • That applies 10% instead of 1%.

B • That is the erroneous line amount rather than its excess.

C • **Correct.** Correct basic amount = 900,000 × 1% = 9,000; stated 18,000 exceeds it by 9,000.

D • That is the assessed base.

Repair: Check a component line against its own base and rate.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

14. Q2-MB-014 • Answer B

₱30 million.

A • That capitalizes total operating benefit as property income.

B • **Correct.** Property income = 4m × 60% = 2.4m; 2.4m / 8% = 30m under the stipulated allocation.

C • That stops at annual property income.

D • That capitalizes the excluded-asset share.

Repair: Use the supplied property-attributable share rather than package earnings.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

15. Q2-MB-015 • Answer B

Whether required software rights and access are available and how their absence affects usable service.

A • The case makes access indispensable.

B • **Correct.** Physical condition alone does not establish operational capability.

C • Condition does not grant software access.

D • They are separate enquiries.

Repair: Assess complementary rights needed for the operating premise.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

16. Q2-MB-016 • Answer C

₱150,000.

A • That compounds the end-year deposit prematurely.

B • That omits interest on the initial reserve.

C • **Correct.** 100,000 × 1.1 + 40,000 = 150,000; the final deposit has not yet earned a year of interest.

D • That omits the new deposit.

Repair: Place deposits at their actual dates.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination B Answers and Explanations

Items 17–20 • Version 1.0

17. Q2-MB-017 • Answer A

₱1 million.

A • Correct. NOI increase is 90,000; 90,000 / 9% = 1m.

B • That is the new indication rather than its increase.

C • That is the old indication.

D • That is the annual-income increase before capitalization.

Repair: Identify the change rather than the whole result.

Topic P3 • Lessons 26, 6. Source: R3 original mathematics exercises; OpenStax finance background.

18. Q2-MB-018 • Answer B

₱1 million.

A • That divides cost by the margin alone.

B • Correct. Price − 20% × price = 800,000; price = 800,000 / 0.8 = 1m.

C • That includes no profit.

D • That applies 20% markup to cost rather than a price margin.

Repair: Distinguish margin on price from markup on cost.

Topic P3 • Lessons 6, 27. Source: R3 original mathematics exercises; OpenStax finance background.

19. Q2-MB-019 • Answer C

Image date and the unresolved relevance to the subject's current or required-date condition.

A • The evidence does not establish full interior access.

B • Costs do not establish as-built condition.

C • Correct. Images may not show the changed property state.

D • Resolution and date are separate attributes.

Repair: Relate image evidence to the condition and date being claimed.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

20. Q2-MB-020 • Answer B

₱6.6 million.

A • That assigns the whole amount to land.

B • Correct. 18m − 11.4m = 6.6m under the supplied allocation premise.

C • That adds rather than removes the improvement component.

D • That is the improvement component.

Repair: Reconcile the package before deriving a residual component.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 21–24 • Version 1.0

21. Q2-MB-021 • Answer C

Screen alignment does not establish that both stored datasets use the same units.

A • Geographic coordinates need not be metre-based.

B • A projected dataset may use linear units.

C • **Correct.** On-the-fly display transformation can align unlike source systems.

D • Zoom is not source-unit definition.

Repair: Check source CRS metadata rather than infer units from display.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

22. Q2-MB-022 • Answer C

Investigate the operative terms and reconcile the conflict before forecasting rents.

A • Format does not establish execution.

B • That does not establish contractual terms.

C • **Correct.** Choosing a document without resolving authority can change the benefit schedule.

D • That is outcome selection.

Repair: Resolve conflicting evidence through its authority and facts.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

23. Q2-MB-023 • Answer A

Whether and how the later transaction informs conditions at the earlier date.

A • **Correct.** Later evidence is not automatically identical to date-specific market evidence.

B • Later evidence may still be informative with proper analysis.

C • Verification does not remove market timing.

D • That falsifies provenance.

Repair: Relate subsequent evidence to the required valuation date.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

24. Q2-MB-024 • Answer C

₱20,000.

A • That omits covered surcharges.

B • That is principal rather than covered additions.

C • **Correct.** Covered additions = 6,000 + 14,000 = 20,000; principal remains a separate payable amount.

D • That is the full pre-relief balance.

Repair: Identify the waived components rather than the remaining principal.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

Mock Examination B Answers and Explanations

Items 25–28 • Version 1.0

25. Q2-MB-025 • Answer B

Reconcile the summary to the actual conclusion and any stated rounding convention.

A • Preference does not resolve the discrepancy.

B • **Correct.** The summary is not a faithful rounding of the supplied amount.

C • The stated cause is an editorial mistake.

D • That does not repair the value mismatch.

Repair: Check the summary against the adopted conclusion.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

26. Q2-MB-026 • Answer C

₱12,000.

A • That retains the annual basic component alone.

B • That ignores payments for half the year.

C • **Correct.** Annual total = 24,000; half remains unpaid = 12,000.

D • That retains only one tax component.

Repair: Reconcile paid and unpaid portions of all relevant levies.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

27. Q2-MB-027 • Answer D

A ₱90,000 shortfall of benefit relative to cost.

A • That reverses benefit and cost.

B • That adds cost rather than deducts it.

C • That omits the outlay.

D • **Correct.** 190,000 − 280,000 = −90,000 under the stated benefit measure.

Repair: Compare the cure's supported benefit with its cost.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

28. Q2-MB-028 • Answer C

Cash-flow inclusions and rate conventions before comparing results.

A • Rounding does not correct the convention.

B • File format does not reconcile economic definitions.

C • **Correct.** Different reserve treatment can change both income and a compatible rate.

D • Preference does not align assumptions.

Repair: Keep operating and capital allowances consistent with the chosen method.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 29–32 • Version 1.0

29. Q2-MB-029 • Answer C

Assess which prior material remains relevant and disclose the updated work and remaining limits.

A • Signature does not make old conditions current.

B • Relevant historical material may still be usable.

C • **Correct.** Incorporation does not establish current-date relevance.

D • Relabeling does not update the analysis.

Repair: Review inherited material against the current assignment.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

30. Q2-MB-030 • Answer A

₱6.6 million.

A • **Correct.** Deduction = 4m × 10% = 0.4m; 7m − 0.4m = 6.6m.

B • That adds the stipulated deduction.

C • That applies the deduction to the whole package.

D • That adjusts and retains only land.

Repair: Apply a component adjustment to its specified component.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

31. Q2-MB-031 • Answer A

The reported subject and included asset components with the instruction.

A • **Correct.** A package total is not interchangeable with the property-only amount.

B • That does not justify a scope change.

C • The asset boundary needs actual analysis.

D • That conceals the instruction.

Repair: Report the amount for the instructed subject.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

32. Q2-MB-032 • Answer C

Whether those installed benefits are obtainable under the stated removal scenario.

A • Cost does not establish those operating rights.

B • The case excludes the needed installation.

C • **Correct.** Removal evidence must be consistent with retained utility and rights.

D • The premises and packages differ.

Repair: Keep benefits consistent with the disposal premise.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination B Answers and Explanations

Items 33–36 • Version 1.0

33. Q2-MB-033 • Answer A

40%.

A • Correct. 12 / (18 + 12) × 100 = 40%.

B • That is the house share.

C • That divides condominium count by house count rather than total count.

D • That uses the count as a percentage.

Repair: Use the full relevant population as the share denominator.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

34. Q2-MB-034 • Answer B

₱2.4 million.

A • That divides the value by the cap rate.

B • Correct. Required NOI = 32m × 7.5% = 2.4m.

C • That drops a factor of ten.

D • That uses an inconsistent conversion.

Repair: Solve the capitalization relationship for the requested input.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

35. Q2-MB-035 • Answer D

Evaluate a supportable stabilized vacancy and collection premise.

A • That reverses the economic effect.

B • That ignores market operating conditions.

C • That is not a vacancy measure.

D • Correct. Stabilization does not necessarily mean zero vacancy.

Repair: Support stabilized income from relevant operating evidence.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

36. Q2-MB-036 • Answer A

6.

A • Correct. Q1 = (10 + 12) / 2 = 11; Q3 = (16 + 18) / 2 = 17; IQR = 6.

B • That is the median.

C • That uses the second and fourth observations rather than the stipulated half medians.

D • That is the full range.

Repair: Use the expressly stated quartile convention.

Topic P3 • Lessons 7. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination B Answers and Explanations

Items 37–40 • Version 1.0

37. Q2-MB-037 • Answer A

An assessment appeal does not by itself suspend collection under section 231.

A • Correct. Later adjustment may follow the result, but filing alone does not cancel collection.

B • That does not follow from filing.

C • They are different procedural stages.

D • Collection follows its legal framework.

Repair: Distinguish pending review from its tax-collection effect.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

38. Q2-MB-038 • Answer A

The repeated cost and whether any genuinely distinct effect supports an additional adjustment.

A • Correct. The same specified payment should not appear twice.

B • That does not coherently repair the duplication.

C • Scenario count does not duplicate the same obligation.

D • The cost remains relevant once.

Repair: Trace shared obligations through each scenario.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

39. Q2-MB-039 • Answer C

Whether the district observations are relevant to the site's market and characteristics.

A • That selects an unrelated statistic.

B • Aggregation does not establish individual relevance.

C • Correct. A district statistic can combine unlike assets.

D • Both location and asset characteristics can matter.

Repair: Check the statistic's population before subject-level inference.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

40. Q2-MB-040 • Answer C

Integration dependencies and premise differences between isolated resale and the operating system.

A • Their service and evidence differ.

B • That omits the other relevant components.

C • Correct. Component prices do not automatically establish the assembled-service result.

D • Integration may change utility and costs.

Repair: Evaluate the system premise as well as component evidence.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination B Answers and Explanations

Items 41–44 • Version 1.0

41. Q2-MB-041 • Answer B

The definition change and which observations use each basis.

A • Units can match while definitions differ.

B • **Correct.** A common column name does not establish a consistent measure.

C • That introduces outcome-based selection.

D • Currency conversion does not repair area basis.

Repair: Track schema changes as well as recorded units.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

42. Q2-MB-042 • Answer D

Analyse the restriction's actual effect on the subject's obtainable uses and benefits.

A • That conceals a material premise.

B • Demand does not remove the restriction.

C • A repair does not necessarily change the governing right.

D • **Correct.** A physical-loss shortcut does not establish the economics of constrained rights.

Repair: Represent constrained rights in the economic analysis.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

43. Q2-MB-043 • Answer C

Assess whether point sampling adequately represents the parcel footprint and the source resolution.

A • Display formatting does not change cell size.

B • A hazard label is not a realised-damage finding.

C • **Correct.** One cell at the centroid may miss other spatial conditions.

D • The case contains multiple labels.

Repair: Match sampling geometry to the area being described.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

44. Q2-MB-044 • Answer C

A finite benefit term needs a model reflecting its expiry and the stated terminal rights.

A • Finite benefits can have value.

B • Spending does not alter tenure.

C • **Correct.** A perpetual shortcut includes benefits not supplied.

D • A rate adjustment alone does not demonstrate faithful term modelling.

Repair: Match model duration to the actual benefit period.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 45–48 • Version 1.0

45. Q2-MB-045 • Answer D

70%.

A • That is the capacity shortfall share.

B • That treats the output difference as a percentage without the proper base.

C • That reverses the ratio.

D • **Correct.** 350 / 500 × 100 = 70%; this ratio alone is not a market-value percentage.

Repair: Keep capacity measurement distinct from value inference.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

46. Q2-MB-046 • Answer A

Observed condition from the scenario premise and its effects on costs and benefits.

A • **Correct.** The distinction changes the subject condition and cash flows.

B • That does not identify status.

C • An estimate is not completion evidence.

D • That creates an inconsistent premise.

Repair: Separate actual condition and assumed change.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

47. Q2-MB-047 • Answer D

77.5%.

A • That is the nonlettable share.

B • That does not follow from the supplied areas.

C • That reverses the ratio.

D • **Correct.** 1,860 / 2,400 × 100 = 77.5%.

Repair: Define numerator and denominator of area efficiency.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

48. Q2-MB-048 • Answer C

Attribute the claim to its actual source and assess its verification needs.

A • Presentation does not establish the proposition.

B • That conceals provenance.

C • **Correct.** Mislabeling source authority overstates support.

D • Confidence does not create independent expertise.

Repair: State who supplied the evidence and what was verified.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

Mock Examination B Answers and Explanations

Items 49–52 • Version 1.0

49. Q2-MB-049 • Answer C

₱272,727.

A • That omits discounting.

B • That approximately treats the receipts as a four-year annuity rather than one common date.

C • **Correct.** Total receipt is 300,000 at one date; 300,000 / 1.1 = 272,727.27.

D • That discounts only one of the four receipts.

Repair: Distinguish number of receipts from number of payment periods.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

50. Q2-MB-050 • Answer D

Investigate the claimed exemption's actual conditions and supporting records.

A • Price does not resolve the statutory use condition.

B • Signature does not establish qualifying facts.

C • The claim may be supportable.

D • **Correct.** A claim alone does not establish qualification.

Repair: Verify both the exemption rule and its factual application.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

51. Q2-MB-051 • Answer D

Use the actual beginning-period dates, including any time-zero receipt.

A • Annual frequency does not establish payment timing.

B • A time-zero receipt still belongs in the model.

C • Growth does not substitute for dated discounting.

D • **Correct.** Beginning and end-period cash flows have different discount periods.

Repair: Place each receipt at its actual model date.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

52. Q2-MB-052 • Answer D

₱10 million.

A • That omits discounting.

B • That discounts only one year.

C • That compounds instead of discounts.

D • **Correct.** 12.1m / 1.1^2 = 10m.

Repair: Bring terminal proceeds to the analysis date.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 53–56 • Version 1.0

53. Q2-MB-053 • Answer C

₱8,200.

A • That treats the ceiling as a required charge.

B • That is the maximum allowable increase rather than the computed tax.

C • **Correct.** The computed amount decreases; an increase ceiling does not raise it to 9,540.

D • That freezes the old amount despite the supplied decrease.

Repair: Preserve actual decreases instead of charging the cap automatically.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

54. Q2-MB-054 • Answer D

₱770,000.

A • That treats the required remainder as a one-year future amount.

B • That ignores time value.

C • That compounds the initial cost but omits the year-1 receipt.

D • **Correct.** The year-2 PV must be 1m − 400,000 / 1.1; multiply that difference by 1.1^2 to obtain 770,000.

Repair: Solve for the missing dated receipt rather than ignore interim cash flow.

Topic P3 • Lessons 6, 27. Source: R3 original mathematics exercises; OpenStax finance background.

55. Q2-MB-055 • Answer D

The operative term and its consistent use throughout the model and report.

A • Duration remains material.

B • That selects an outcome rather than evidence.

C • That does not establish the actual term.

D • **Correct.** A material timing inconsistency can change benefits and reversion.

Repair: Synchronize model timing with the established premise.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

56. Q2-MB-056 • Answer A

Assess income rights and transfer limitations separately before judging their combined economic effect.

A • **Correct.** A transfer limit and an income entitlement are different characteristics.

B • The stated income right remains.

C • The effect depends on specific rights and evidence.

D • Transferability can still matter.

Repair: Distinguish the particular rights and constraints.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

Mock Examination B Answers and Explanations

Items 57–60 • Version 1.0

57. Q2-MB-057 • Answer C

Investigate the access rights and their effect on the instructed operating premise.

A • The operative evidence still needs review.

B • Display geometry does not establish tenure.

C • **Correct.** Operational forecasts depend on obtainable access rather than proximity alone.

D • Physical width does not establish legal use.

Repair: Verify the enabling right behind the service forecast.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

58. Q2-MB-058 • Answer D

Accessibility selection may affect representativeness of the target portfolio.

A • Coverage remains a separate enquiry.

B • That conclusion is unsupported.

C • The selection mechanism can matter.

D • **Correct.** Convenience access is not random sampling.

Repair: Evaluate how inclusion affects the intended inference.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

59. Q2-MB-059 • Answer D

120.

A • That removes only incomplete records.

B • That removes duplicates only.

C • That adds rather than excludes the groups.

D • **Correct.** 160 − 24 − 16 = 120; the exercise does not determine whether the remaining sample is representative.

Repair: Count exclusions with attention to overlap.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

60. Q2-MB-060 • Answer A

₱6.15 million.

A • **Correct.** 6m − 0.20m + 0.35m = 6.15m.

B • That deducts both differences despite the subject's superior access.

C • That adds both despite the subject's inferior parking.

D • That reverses both adjustment signs.

Repair: Judge adjustment direction relative to the subject.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 61–64 • Version 1.0

61. Q2-MB-061 • Answer A

200 m.

A • Correct. 0.8 ha = 8,000 m²; depth = 8,000 / 40 = 200 m.

B • That confuses area with length.

C • That does not divide the area by the width.

D • That loses a factor of ten in the area conversion.

Repair: Convert area units before solving the missing dimension.

Topic P3 • Lessons 33, 6. Source: R3 original mathematics exercises; OpenStax finance background.

62. Q2-MB-062 • Answer B

The defined service rights term and obligations, excluding unsupported land-sale proceeds.

A • Use does not establish ownership.

B • Correct. A limited service concession is not full land ownership.

C • No such area is supplied.

D • Physical life does not amend the right.

Repair: Define the benefit-bearing right and its terminal limits.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

63. Q2-MB-063 • Answer D

Investigate transaction conditions and technical comparability before treating the price as market evidence.

A • Identification is not valuation evidence.

B • Decimal precision is not the relevant issue.

C • Count does not verify suitability.

D • Correct. A recorded price may reflect a different premise or condition.

Repair: Review the sale's conditions and the asset's specification.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

64. Q2-MB-064 • Answer D

The original rule's date and context, with any later change separately verified and recorded.

A • An unverified report does not establish a lawful change.

B • The amnesty concerned covered additions under conditions.

C • It had a specified end date.

D • Correct. Later research should not silently rewrite what the earlier document stated.

Repair: Separate historical source content from later verified changes.

Topic P9 • Lessons 35. Source: R14 RPVARA original 2025 IRR section 56.

Mock Examination B Answers and Explanations

Items 65–68 • Version 1.0

65. Q2-MB-065 • Answer C

Investigate the actual permitted and used conditions, with the clinic proposal identified separately if analysed.

A • That changes the subject.

B • The permission condition is unresolved.

C • **Correct.** A proposal does not establish an existing authorised use.

D • A proposal may be analysed conditionally, but current authority needs evidence.

Repair: Separate existing use evidence from future proposals.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

66. Q2-MB-066 • Answer A

The material premise and sufficient context to understand the reported result.

A • **Correct.** Brevity does not justify omitting a decisive condition.

B • That fails to identify the actual premise.

C • That can mislead about the conditional result.

D • Preference does not replace supported analysis.

Repair: Make a concise report intelligible without concealing material conditions.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

67. Q2-MB-067 • Answer B

Retain the dataset version transformations and relevant calculation record.

A • An assurance is not a reproducible record.

B • **Correct.** A result requires identifiable inputs and processing for reliable reproduction.

C • That loses the input trail.

D • That increases ambiguity.

Repair: Preserve the data and model provenance.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

68. Q2-MB-068 • Answer A

The scenario combines two input changes and does not isolate the cost effect.

A • **Correct.** A joint scenario is different from a one-variable sensitivity.

B • That is not a controlled input test.

C • Timing can affect discounted flows.

D • That misstates the model test.

Repair: Describe which variables changed in each scenario.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 69–72 • Version 1.0

69. Q2-MB-069 • Answer B

Whether cash flows and required return refer to the same financing perspective.

A • It can matter depending on perspective.

B • **Correct.** Levered and unlevered definitions should not be mixed inadvertently.

C • They have different meanings.

D • That duplicates financing burden.

Repair: Specify project or equity perspective before modelling financing.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

70. Q2-MB-070 • Answer A

The cash-equivalent effect of the financing terms.

A • **Correct.** The transaction's financing benefits can affect the quoted price.

B • That does not establish the financing concession.

C • Financed evidence can be analysed rather than automatically discarded.

D • Financing terms differ from physical condition.

Repair: Analyse the transaction terms before property differences.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

71. Q2-MB-071 • Answer B

The actual scope and outcome of the works and the machine's resulting condition.

A • Age alone does not determine present condition.

B • **Correct.** Spending does not prove that every defect was eliminated.

C • Date alone does not establish full restoration.

D • That does not assess the overhaul outcome.

Repair: Evaluate what the work achieved rather than equate spending with condition.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

72. Q2-MB-072 • Answer D

The established current predominant use of the subject property.

A • That does not establish classification.

B • Intention and actual use can differ.

C • Preference is not actual use.

D • **Correct.** The old advertisement does not override current-use evidence.

Repair: Use the property-use evidence relevant to assessment.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

Mock Examination B Answers and Explanations

Items 73–76 • Version 1.0

73. Q2-MB-073 • Answer A

Whether the forecast captures the constraint's relevant effect on use income costs or risk.

A • Correct. A formula result does not eliminate a material omitted condition.

B • Its relevance also needs analysis.

C • Presentation does not change the property.

D • Positivity does not establish completeness.

Repair: Test whether material conditions enter the model consistently.

Topic P1 • Lessons 26, 28. Source: R1 IVS 103 400 and original approach cases.

74. Q2-MB-074 • Answer C

₱600,000.

A • That perpetually capitalizes the first receipt.

B • That adds receipts without discounting.

C • Correct. 330,000 / 1.1 = 300,000; 363,000 / 1.1^2 = 300,000; sum = 600,000.

D • That discounts both for one year.

Repair: Use the actual finite benefit schedule.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

75. Q2-MB-075 • Answer B

Identify the relevant third-edition source and verify which provisions and dates govern the topic.

A • Recency is not a reason to discard relevant governing material.

B • Correct. The dated introduction supports edition-aware review rather than silent relabeling.

C • That misstates the source.

D • A new edition still requires comparison of provisions.

Repair: Keep standards references identifiable by edition and applicability.

Topic P9 • Lessons 35. Source: R12 DOF valuation-manual introduction November 2025; PVS third edition.

76. Q2-MB-076 • Answer B

₱1 million.

A • That subtracts the required outlays.

B • Correct. 800,000 + 120,000 + 80,000 = 1m.

C • That is the equipment price only.

D • That omits commissioning.

Repair: Distinguish purchase price from the stated operating-entry outlay.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

Mock Examination B Answers and Explanations

Items 77–80 • Version 1.0

77. Q2-MB-077 • Answer B

Define and verify the occupancy package and obtain comparable rent evidence or supported allocations.

A • That does not reconcile the package.

B • **Correct.** A bundled desk service is not automatically equivalent to property rent.

C • Suitable evidence can still be investigated.

D • That ignores service inclusions.

Repair: Match the observation's package to the intended measure.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

78. Q2-MB-078 • Answer C

The resulting record multiplicity reflects the table's observation unit, not three distinct parcels.

A • The table describes years, not ownership.

B • Attribute rows do not create a subdivision.

C • **Correct.** One parcel can have several time records.

D • Multiplicity does not change physical area.

Repair: Distinguish feature count from joined observation count.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

79. Q2-MB-079 • Answer B

10%.

A • That is the cumulative two-year growth rather than the annual rate.

B • **Correct.** (302,500 / 250,000)^(1/2) − 1 = 10%.

C • That divides cumulative growth by two without compounding.

D • That does not reproduce the target.

Repair: Solve the compound relationship for the stated period rate.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

80. Q2-MB-080 • Answer B

₱1.4 million.

A • That misplaces the rate decimal.

B • **Correct.** 35,000 / 0.025 = 1.4m.

C • That multiplies instead of divides by the rate.

D • That assumes a 10% levy.

Repair: Invert the tax relationship using the stipulated rate.

Topic P3 • Lessons 32, 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination B Answers and Explanations

Items 81–84 • Version 1.0

81. Q2-MB-081 • Answer C

Scheme X exceeds scheme Y by ₱1 million.

A • That adds rather than deducts Y's cost.

B • That ignores Y's extra cost.

C • **Correct.** Y net = 19m − 4m = 15m; X is 16m.

D • That does not reconcile the supplied benefits.

Repair: Compare alternatives after all stated costs.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

82. Q2-MB-082 • Answer D

Retain their definitions and choose the measure appropriate to each calculation.

A • The purpose governs the relevant measure.

B • Different definitions can explain the gap.

C • That can create an amount fitting neither definition.

D • **Correct.** Different correct measures need not be numerically equal.

Repair: Reconcile meaning rather than force equality.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

83. Q2-MB-083 • Answer D

Determine and reconcile the included asset package before using the price as property-only evidence.

A • It does not establish component identity.

B • That changes the subject.

C • Lease presence alone is not the identified issue.

D • **Correct.** Similar totals can conceal different asset scopes.

Repair: Compare like asset boundaries.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

84. Q2-MB-084 • Answer B

Align or clearly distinguish condition premises and the costs and timing of the assumed works.

A • That does not reconcile the condition difference.

B • **Correct.** Different condition premises can explain differing amounts.

C • Current condition may be the instructed subject.

D • Its premise remains different.

Repair: Reconcile what each indication actually values.

Topic P1 • Lessons 28. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Answers and Explanations

Items 85–88 • Version 1.0

85. Q2-MB-085 • Answer D

₱2.9 million.

A • That is the included-charge subtotal only.

B • That removes charges from the installed package rather than removes duplicate additions.

C • That repeats the included charges.

D • **Correct.** The quote already includes both charges; adding them again yields an overstated 3.3m.

Repair: Verify quoted inclusions before extending a cost schedule.

Topic P5 • Lessons 29. Source: R4 IVS 300 and original machinery cases.

86. Q2-MB-086 • Answer D

₱7.5 million.

A • That computes profit on the ₱33m costs instead of receipts.

B • That omits the profit allowance.

C • That omits selling costs.

D • **Correct.** Profit = 50m × 15% = 7.5m; residual = 50m − 33m − 2m − 7.5m = 7.5m.

Repair: Use the stated profit base and all relevant costs.

Topic P1 • Lessons 27, 28. Source: R1 IVS 103 400 and original approach cases.

87. Q2-MB-087 • Answer B

Whether the cost scope overstates the currently required equivalent service.

A • Relabeling does not align service scope.

B • **Correct.** Expert authorship does not make an unrelated scope suitable.

C • A revised suitable estimate may be valuable.

D • Fitness to purpose remains necessary.

Repair: Match technical evidence to the required utility.

Topic P6 • Lessons 27, 28, 30, 36. Source: R1 IVS 400; R5 IVS 410 and original specialised cases.

88. Q2-MB-088 • Answer C

200 m.

A • That is the difference between segment lengths.

B • That is direct distance alone.

C • **Correct.** Route = 700 m; direct distance = $\sqrt{(300^2 + 400^2)}$ = 500 m; difference = 200 m.

D • That is route length alone.

Repair: Distinguish network path length and direct geometry.

Topic P8 • Lessons 33. Source: R8 QGIS 3.40 documentation and original GIS cases.

Mock Examination B Answers and Explanations

Items 89–92 • Version 1.0

89. Q2-MB-089 • Answer A

₱2.4 million.

A • Correct. (18,000 − 14,000) × 600 = 2.4m.

B • That is the high endpoint total.

C • That is the unit-rate spread only.

D • That uses the midpoint total rather than the spread.

Repair: Distinguish range width from midpoint and endpoint amounts.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

90. Q2-MB-090 • Answer A

Whether the analysis supports the stated value basis or must be revised or relabeled under the appropriate basis.

A • Correct. A heading does not make owner-specific assumptions a market-value analysis.

B • That conceals the premise.

C • Familiarity does not align the basis.

D • An unsupported rate change does not resolve the basis.

Repair: Align the defined basis with the actual analysis.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

91. Q2-MB-091 • Answer D

Size relevance and a supported comparison measure or adjustment.

A • IDs are not economic size measures.

B • Unit value relationships need evidence.

C • That does not measure the property difference.

D • Correct. Whole prices may not be directly comparable across sizes.

Repair: Use a comparison basis that fits the market evidence.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

92. Q2-MB-092 • Answer A

₱13,000.

A • Correct. Interest is 7,000; principal repayment is 20,000 − 7,000 = 13,000.

B • That is interest rather than principal repayment.

C • That adds interest to payment.

D • That ignores interest allocation.

Repair: Allocate a payment before identifying principal reduction.

Topic P3 • Lessons 6. Source: R3 original mathematics exercises; OpenStax finance background.

Mock Examination B Answers and Explanations

Items 93–96 • Version 1.0

93. Q2-MB-093 • Answer B

₱60,000 per unit.

A • That is the new cost per unit.

B • **Correct.** (39.6m − 36m) / 60 = 60,000.

C • That omits division by the unit count.

D • That is the old cost per unit.

Repair: Distinguish a unit-cost change from each total unit cost.

Topic P3 • Lessons 6, 27. Source: R3 original mathematics exercises; OpenStax finance background.

94. Q2-MB-094 • Answer A

Describe the assumed or established subject rights without claiming a legal adjudication the appraisal did not perform.

A • **Correct.** A valuation scenario does not decide ownership disputes.

B • The rights premise still needs clarity.

C • Presentation does not confer adjudicative authority.

D • That does not establish title.

Repair: Keep the appraisal's conclusion within its task and evidence.

Topic P4 • Lessons 34, 36. Source: R2 IVS 106 and original reporting cases.

95. Q2-MB-095 • Answer A

An assessment level derives taxable assessed value from the relevant market-value base; it is not a universal market-value reduction.

A • **Correct.** The statutory tax conversion has a distinct purpose.

B • Purpose and basis still need distinction.

C • That misuses the tax percentage.

D • They perform different functions.

Repair: Keep tax assessment conversions separate from market appraisal.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

96. Q2-MB-096 • Answer A

Two mandatory public consultations within the stated pre-submission period.

A • **Correct.** An internal meeting is not automatically the second public consultation required by the Act.

B • That does not satisfy the specified public consultations.

C • Professional status does not remove the statutory process.

D • That substitutes an unrelated event and timing.

Repair: Distinguish public consultation from internal preparation meetings.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

Mock Examination B Answers and Explanations

Items 97–100 • Version 1.0

97. Q2-MB-097 • Answer C

The untested facility domain and need for suitable evidence or a different analysis.

A • That extrapolates beyond tested coverage.

B • Lack of validation does not establish zero.

C • **Correct.** Good performance in one domain does not validate another automatically.

D • No evidence supports that repair.

Repair: State where the model's validation actually applies.

Topic P2 • Lessons 7, 9, 23, 28, 31, 34. Source: R2 IVS 101 104 105 106 and original research cases.

98. Q2-MB-098 • Answer D

Reconcile component inclusions before adding the finish cost.

A • The actual required finish remains relevant.

B • Cost and area are different quantities.

C • Different labels do not establish nonoverlap.

D • **Correct.** An included component should not be counted again.

Repair: Review what each unit rate already covers.

Topic P1 • Lessons 25. Source: R1 IVS 103 400 and original approach cases.

99. Q2-MB-099 • Answer D

Receipt of the written protest by the treasurer.

A • That does not start the protest decision clock.

B • That is not the stated trigger.

C • That is unrelated to this period.

D • **Correct.** The decision period is tied to protest receipt under that route.

Repair: Match each procedural period to its specified event.

Topic P7 • Lessons 21, 22, 29, 31, 32. Source: R6 RA 7160; R7 RA 12001; original conditional tax exercises.

100. Q2-MB-100 • Answer D

The denominator uncertainty affects the reliability of the computed rate.

A • The unit rate still depends on area.

B • Rounding does not reduce input uncertainty.

C • That equivalence is not established.

D • **Correct.** A verified numerator does not verify the denominator.

Repair: Verify both sides of a unit-rate relationship.

Topic P1 • Lessons 24. Source: R1 IVS 103 400 and original approach cases.

Mock Examination B Topic Score Record

Name _____ Date _____ Total ____ / 100
Elapsed _____ First / repeated _____ Open / closed _____

Topic	Correct	Percentage	Repair priority
P1	____ / 25	____%	_____
P2	____ / 12	____%	_____
P3	____ / 15	____%	_____
P4	____ / 10	____%	_____
P5	____ / 10	____%	_____
P6	____ / 10	____%	_____
P7	____ / 10	____%	_____
P8	____ / 5	____%	_____
P9	____ / 3	____%	_____

Compare conditions

Topic percentage = correct / topic count × 100. The three current-events questions and five GIS questions have especially small denominators. Use their error patterns as prompts for review rather than calibrated mastery estimates.

Record uncertainty and time pressure alongside correctness. A repeated attempt measures retention of this form; it is not another fresh mock. Both mock forms complete the planned 600-question Questionnaire 2 bank after the 400 topic questions.

Mock Examination B Diagnostic Item Map

Open only after completing the examination. Match the numbers below to the exact printed form and content version.

P1 Appraisal Approaches

3, 8, 10, 11, 12, 20, 23, 28, 30, 34, 35, 44, 51, 52, 60, 68, 69, 70, 73, 83, 84, 86, 91, 98, 100

P2 Valuation Procedures and Research

19, 22, 33, 39, 41, 48, 58, 59, 67, 77, 82, 97

P3 Practical Appraisal Mathematics

1, 5, 16, 17, 18, 36, 47, 49, 54, 61, 79, 80, 89, 92, 93

P4 Appraisal Report Writing

2, 9, 25, 29, 31, 46, 55, 66, 90, 94

P5 Machinery and Equipment

6, 15, 27, 32, 40, 45, 63, 71, 76, 85

P6 Cases and Specialized Valuation

14, 38, 42, 56, 57, 62, 65, 74, 81, 87

P7 Assessment and Tax Application

13, 24, 26, 37, 50, 53, 72, 95, 96, 99

P8 Geographic Information Systems

7, 21, 43, 78, 88

P9 Current Events

4, 64, 75

Group recurring errors by base, sign, timing, asset boundary, source authority, right or reporting premise. Rebuild the decisive reasoning before a changed-facts retest.

Mock Examination B Error Repair Record

Item ID and topic _____

Original answer ____ Correct answer ____ Original confidence _____

Decisive fact or condition _____

Relevant rule source edition and date _____

Formula inputs units and timing _____

Closest distractor and why it fails _____

Rebuilt explanation or computation _____

Changed-facts retest _____

Result and next review _____

After both mock forms

Preserve both first-attempt forms and their versions. The back matter provides the full-volume lesson index, consolidated sources, correction record and study comparison.

Mock Examination B Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R1 IVS 103 and 400

IVS effective 31 January 2025. Conceptual background for approach choice, compatible income and rates, cost utility and specified property rights. Every case and numerical input is original.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R2 IVS scope data models and reporting

IVS 101, 104, 105 and 106 in the identified edition. The scenarios apply source, model, scope and reporting controls to their supplied facts. No source exercise is reproduced.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R3 Original mathematics and finance background

REALEX original numerical exercises. OpenStax Principles of Finance 2e sections 7 and 8 provide background for time value, rates and annuities. Dates, areas, margin bases and statistic conventions are supplied in the questions.

https://openstax.org/books/principles-finance-2e/pages/8-2-annuities

Mock Examination B Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R4 IVS 300 Plant Equipment and Infrastructure

Identified IVS edition. Background concerns asset identification, package boundaries, utility, integrated service, condition and valuation premises. Numerical cases are supplied arithmetic exercises, not market benchmarks.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R5 IVS 410 Development Property

Identified IVS edition. Development cases keep rights, remaining costs, timing and conditional scenarios explicit. The original special-use cases also distinguish service and operating-package benefits.

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

R6 RA 7160 assessment and RPT

Selected sections 199, 217–218, 224–226, 231, 233–235, 250 and 252. Read with later amendments and the specific remedy. Supplied valid rates, conditions and assessment inputs govern the fictional exercises.

https://lawphil.net/statutes/repacts/ra1991/ra_7160_1991.html

Mock Examination B Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R7 RA 12001 valuation reform

Selected sections 14–18 and 29–30. Conditional first-year caps identify eligible baselines. Historical relief conditions do not assert current eligibility. Valuation work and lawful tax-rate setting have distinct roles.

https://lawphil.net/statutes/repacts/ra2024/ra_12001_2024.html

R8 QGIS 3.40 GIS documentation

Vector Data, Raster Data, Coordinate Reference Systems, Vector Analysis and Vector General provide background. The original questions distinguish measurement, network access, record cardinality, footprint coverage and data authority.

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/index.html

R9 BSP RPPI transition and evidence

Official RPPI overview, technical notes and comparison describe the June 2025 transition from RREPI, bank housing-loan source data and hedonic estimation. Index context does not replace parcel-level appraisal.

https://www.bsp.gov.ph/Pages/MediaAndResearch/PublicationsAndReports/RPPI.aspx

Mock Examination B Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R10 IVSC announcement 30 January 2026

The dated announcement describes a consultation draft and a planned January 2027 issue with January 2028 effectivity. The question tests that identified source status rather than assumes the draft is already effective.

https://ivsc.org/ivs-exposure-draft-published-for-consultation/

R11 PRC July 2026 appraiser program

Professional Appraisal Practice carries 50% subject weight and has a four-hour session. The mock item count, topic allocations, marking and suggested practice conditions are editorial. The applicable 2027 program and detailed TOS require verification.

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

R12 DOF valuation-manual introduction

Speech delivered 5 November 2025 and published 6 November identifies PVS third edition, Local Assessment Manual and Mass Appraisal Guidebook second edition. The BLGF third-edition online text identifies first printing 2025 and incorporation of IVS 2025.

https://www.dof.gov.ph/blgfs-lgu-finance-performance-awarding-electronic-or-valuation-launch/

Mock Examination B Selected Sources

Reference date 13 October 2026. All cases, choices, explanations and calculations are original applications. Read the identified provisions with actual assignment facts and governing requirements.

R13 RA 12252 foreign-investor lease amendment

2025 amendment of RA 7652 provides a conditional aggregate 99-year ceiling for qualifying private-land leases and addresses registration. A statutory maximum is not automatic ownership or extension of every lease.

https://www.lawphil.net/statutes/repacts/ra2025/ra_12252_2025.html

R14 Original RPVARA IRR historical window

The identified 2025 IRR section 56 states the original 5 July 2026 amnesty end date. Later developments must be separately verified. The source is circulated by BIR RMC 30-2025.

https://bir-cdn.bir.gov.ph/BIR/pdf/RMC%20No.%2030-2025v2.pdf

R15 REALEX original mock forms

Two distinct 100-item forms with versioned stable IDs, per-option explanations and original calculations. Comparison covers the 1,000 earlier series questions and the two forms against each other, not every question published elsewhere.

Course routes REALEX Questionnaire 2 Lessons 6 7 9 17 21–36

Back Matter

QUESTIONNAIRE 2 • Professional Appraisal Practice

The completed bank contains 600 questions: 400 topic-practice items and two fresh 100-item mocks. Use this closing material to locate a lesson or source, check a calculation convention and preserve a review record.

Code	Study area	Book pages	Items
P1	Appraisal Approaches	13–72	100
P2	Valuation Procedures and Research	73–109	48
P3	Practical Appraisal Mathematics	110–153	60
P4	Appraisal Report Writing	154–185	40
P5	Machinery and Equipment	186–217	40
P6	Cases and Specialized Valuation	218–249	40
P7	Assessment and Tax Application	250–281	40
P8	Geographic Information Systems	282–302	20
P9	Current Events and Valuation Updates	303–318	12
MA	Mock Examination A	319–382	100
MB	Mock Examination B	383–446	100

Match the complete item ID

Q2 identifies this volume. P1–P9 identifies a topic section; MA or MB identifies a mock form. Local item numbers restart within each. Match the complete ID and version, not a bare number. Questions and their explanations are both in this volume.

Source routes

Source codes are local to a section or mock. The combined bank prefixes them with that container: P1-S1 and P7-S1 are distinct records, as are MA-R1 and MB-R1. CR codes group reference addresses while preserving every original scope note.

Lesson index page 448; glossary page 453; formula reference page 455; source register page 457; correction record page 466.

Lesson Navigation Index

These are exact item routes, not extra question counts. P3: 001–010 means Q2-P3-001 through Q2-P3-010. A question may be routed to several lessons.

Lesson 6

P3: 001–006, 013–024

MA: 005, 015, 030, 032, 052, 054, 060, 067, 070, 073–074, 076, 087, 092

MB: 001, 005, 016–018, 047, 049, 054, 061, 079–080, 089, 092–093

Lesson 7

P2: 017–040, 043

P3: 007–012

MA: 014, 016, 026, 034, 037, 039, 046, 057, 064, 066, 069, 077, 090

MB: 019, 022, 033, 036, 039, 041, 048, 058–059, 067, 077, 082, 097

Lesson 9

P2: 001–008

MA: 016, 026, 034, 037, 039, 046, 057, 064, 066, 069, 077, 090

MB: 019, 022, 033, 039, 041, 048, 058–059, 067, 077, 082, 097

Lesson 21

P7: 001–040

MA: 020, 031, 035, 041, 045, 048, 055, 059, 091, 093

MB: 013, 024, 026, 037, 050, 053, 072, 095–096, 099

Lesson Navigation Index

These are exact item routes, not extra question counts. P3: 001–010 means Q2-P3-001 through Q2-P3-010. A question may be routed to several lessons.

Lesson 22

P7: 001–008, 017–040

MA: 020, 031, 035, 041, 045, 048, 055, 059, 091, 093

MB: 013, 024, 026, 037, 050, 053, 072, 095–096, 099

Lesson 23

P2: 009–032

MA: 016, 026, 034, 037, 039, 046, 057, 064, 066, 069, 077, 090

MB: 019, 022, 033, 039, 041, 048, 058–059, 067, 077, 082, 097

Lesson 24

P1: 001–020

P3: 025–030

MA: 009, 061, 078, 098–099

MB: 023, 030, 060, 070, 083, 091, 100

Lesson 25

P1: 021–040

P3: 031–036

MA: 007, 013, 044, 049, 052–053, 089

MB: 003, 008, 020, 098

Lesson Navigation Index

These are exact item routes, not extra question counts. P3: 001–010 means Q2-P3-001 through Q2-P3-010. A question may be routed to several lessons.

Lesson 26

P1: 041–060

P3: 037–042

MA: 004–005, 017, 019, 047, 051, 058, 080, 085

MB: 011–012, 017, 028, 034–035, 044, 073

Lesson 27

P1: 061–090

P3: 019–024, 043–048

P6: 001–008

MA: 012, 015, 018, 022–023, 029, 033, 063, 065, 068, 073, 079, 082, 084, 086–088, 094

MB: 010, 014, 018, 038, 042, 051–052, 054, 056–057, 062, 065, 068–069, 074, 081, 086–087, 093

Lesson 28

P1: 081–100

P2: 041–042, 044–048

P6: 033–040

MA: 004, 012, 016–019, 022–023, 026, 029, 033–034, 037, 039, 046–047, 051, 057–058, 063–066, 068–069, 077, 079–080, 082, 084–086, 088, 090, 094–095

MB: 010–012, 014, 019, 022, 028, 033–035, 038–039, 041–042, 044, 048, 051–052, 056–059, 062, 065, 067–069, 073–074, 077, 081–082, 084, 086–087, 097

Lesson 29

P3: 031–036

P5: 001–040

P7: 033–040

MA: 008, 011, 020, 024, 027, 031, 035–036, 040–041, 045, 048, 055, 059, 072, 081, 083, 091, 093, 100

MB: 006, 013, 015, 024, 026–027, 032, 037, 040, 045, 050, 053, 063, 071–072, 076, 085, 095–096, 099

Lesson Navigation Index

These are exact item routes, not extra question counts. P3: 001–010 means Q2-P3-001 through Q2-P3-010. A question may be routed to several lessons.

Lesson 30

P6: 009–032

MA: 012, 022, 033, 063, 065, 068, 079, 082, 084, 088

MB: 014, 038, 042, 056–057, 062, 065, 074, 081, 087

Lesson 31

P2: 033–040, 043

P7: 033–040

MA: 016, 020, 026, 031, 034–035, 037, 039, 041, 045–046, 048, 055, 057, 059, 064, 066, 069, 077, 090–091, 093

MB: 013, 019, 022, 024, 026, 033, 037, 039, 041, 048, 050, 053, 058–059, 067, 072, 077, 082, 095–097, 099

Lesson 32

P3: 049–054

P7: 001–040

MA: 020, 031, 035, 041, 045, 048, 055, 059, 091, 093

MB: 013, 024, 026, 037, 050, 053, 072, 080, 095–096, 099

Lesson 33

P3: 001–006, 055–060

P8: 001–020

MA: 021, 028, 042, 062, 076, 096

MB: 007, 021, 043, 061, 078, 088

Lesson Navigation Index

These are exact item routes, not extra question counts. P3: 001–010 means Q2-P3-001 through Q2-P3-010. A question may be routed to several lessons.

Lesson 34

P2: 001–008, 041–048

P4: 001–040

MA: 002–003, 010, 016, 025–026, 034, 037–039, 043, 046, 050, 056–057, 064, 066, 069, 071, 077, 090, 097

MB: 002, 009, 019, 022, 025, 029, 031, 033, 039, 041, 046, 048, 055, 058–059, 066–067, 077, 082, 090, 094, 097

Lesson 35

P9: 001–012

MA: 001, 006, 075

MB: 004, 064, 075

Lesson 36

P4: 017–040

P6: 001–008, 033–040

MA: 002–003, 010, 012, 022, 025, 033, 038, 043, 050, 056, 063, 065, 068, 071, 079, 082, 084, 088, 097

MB: 002, 009, 014, 025, 029, 031, 038, 042, 046, 055–057, 062, 065–066, 074, 081, 087, 090, 094

Selected Glossary

These concise study meanings support navigation. Consult the full rule, definition or standard and its conditions for the particular question.

Asset boundary. The specified package of rights and assets whose benefits and costs belong in the analysis.

Assessed value. The assessment-purpose market-value base multiplied by the applicable assessment level; it precedes tax levies.

Assessment level. The percentage used to derive assessed value under the relevant class and governing rules.

Basis of value. The defined conditions and premises describing what the valuation opinion measures.

Capitalization rate. A compatible annual-income-to-value relationship under the stated capitalization model.

Cash equivalent. A transaction-price measure adjusted for the supplied noncash or financing differences on a supported basis.

Coordinate reference system. The definition relating stored coordinate numbers to positions and units; a displayed alignment does not prove identical source systems.

Cost to cure. The outlay to remedy a stated condition; compare its supported economic benefit rather than assume full recovery.

DCF. Discounted cash flow: consistently dated receipts and outflows brought to a common analysis date.

DSCR. Debt-service coverage ratio under a model identifying its income numerator and debt-service denominator.

Effective gross income. Potential income after the model's relevant vacancy and collection allowances plus specified other income.

Equivalent utility. The required service represented by a substitute, subject to the relevant rights and technical constraints.

Functional obsolescence. Loss associated with a mismatch of design or service with relevant utility requirements.

Geocoding. Relating an address or identifier to a spatial position; match quality and precision require review.

Selected Glossary

These concise study meanings support navigation. Consult the full rule, definition or standard and its conditions for the particular question.

GIS. Geographic information system for managing and analysing spatially referenced records and attributes.

Lease advantage. A stated contractual benefit relative to the relevant market terms, limited by the actual period and rights.

Market extraction. Deriving a component or relationship from supported market observations after consistent allocations.

NOI. Net operating income under the specified before-financing convention; check whether owner expenses and reserves are included.

NPV. Sum of signed cash flows discounted to one date, including the initial outlay where relevant.

Raster. A spatial grid of cells carrying values; cell resolution and coverage affect interpretation.

Replacement cost. Current cost of a suitable substitute supplying the required utility under the stated premise.

Residual. The remaining amount after the model's specified benefits, costs and claims; define the component it represents.

RPPI. BSP Residential Property Price Index. Its aggregate coverage and methodological history matter before subject-level application.

RPVARA. RA 12001 Real Property Valuation and Assessment Reform Act; distinguish valuation schedules and lawful tax application.

SMV. Schedule of Market Values. Approval, effectivity and transitional treatment are distinct enquiries.

Source provenance. The origin, date, verification and transformation record for the evidence used.

Terminal benefit. A dated ending-period receipt or retained right; it must belong to the subject and match the model premise.

Valuation date. The date to which the opinion relates, distinct from inspection, report and source-publication dates.

Formula Reference and Calculation Controls

Use the formula only under the question’s stated premises. These are original compact reminders; the exercises and Lessons book provide the relevant worked applications.

Present value

PV = CFt / (1 + r)^t. Use the actual cash-flow date and a compatible rate. Time-zero flows have exponent zero.

Future value

FV = PV × (1 + r)^n. Compounding frequency and elapsed periods must agree.

NPV

NPV = sum of signed discounted cash flows. Include the initial outlay at time zero rather than omit it.

Ordinary annuity PV

PV = PMT × [1 − (1 + r)^(-n)] / r for equal end-period payments and nonzero r. Beginning-period payments require their actual dates.

Income and value

V = NOI / R and R = NOI / V only when the income definition and capitalization relationship are compatible.

Area-weighted unit rate

Weighted rate = sum(area × rate) / sum(area). This mechanical measure does not replace professional reconciliation.

Before accepting the result

Check subject, units, rate base, signs, dates, inclusions and rounding. A mathematical result does not establish an actual local tax bill, legal entitlement or market-value opinion.

Formula Reference and Calculation Controls

Use the formula only under the question’s stated premises. These are original compact reminders; the exercises and Lessons book provide the relevant worked applications.

Cash-flow sequence

Keep actual contractual timing, completion phases and terminal rights explicit. Growth forecasting is not discounting.

Cost-model boundary

Land plus improvement cost less supported nonoverlapping losses is an exercise structure; utility and market support still govern actual valuation.

Assessment and levy

Assessed value = applicable market-value base × assessment level; a levy then applies its rate to the proper assessed base.

Shares and conversions

Area share = part / whole; 1 ha = 10,000 m^2; 1 km^2 = 1,000,000 m^2. A unit label must match the actual stored amount.

Coverage and margins

DSCR = specified income / debt service. Profit margin on price differs from markup on cost; define the denominator.

Geometry and scale

Rectangle area = length × width; perimeter = 2(length + width). Map scale must use consistent map and ground units.

Before accepting the result

Check subject, units, rate base, signs, dates, inclusions and rounding. A mathematical result does not establish an actual local tax bill, legal entitlement or market-value opinion.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR01 International Valuation Standards effective 31 January 2025

Original notes: P1-S1, P1-S2, P1-S3, P2-S1, P3-S8, P4-S1, P4-S5, P5-S1, P5-S2, P6-S1, P6-S2, P6-S6, MA-R1, MA-R2, MA-R4, MA-R5, MB-R1, MB-R2, MB-R4, MB-R5

https://saicawebprstorage.blob.core.windows.net/uploads/resources/IVS-effective-31-January-2025.pdf

CR02 OpenStax Principles of Finance 2e

Original notes: P1-S4

https://openstax.org/books/principles-finance-2e/pages/7-1-now-versus-later-concepts
https://openstax.org/books/principles-finance-2e/pages/16-2-net-present-value-npv-method

CR03 PRC July 2026 examination program

Original notes: P1-S5, P2-S8, P3-S9, P4-S4, P5-S4, P6-S4, P7-S3, P9-S7, MA-R11, MB-R11

https://www.prc.gov.ph/sites/default/files/REA%20exam%20program%202026.pdf

CR04 REALEX course and original exercises

Original notes: P1-S6

Course route: REALEX Lessons 24–28

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR05 RICS Comparable evidence in real estate valuation

Original notes: P2-S2

https://www.rics.org/profession-standards/rics-standards-and-guidance/sector-standards/valuation-standards/comparable-evidence-in-real-estate-valuation

CR06 AAPOR Best Practices for Survey Research

Original notes: P2-S3

https://aapor.org/standards-and-ethics/best-practices/

CR07 NIST Measures of Location

Original notes: P2-S4, P3-S1

https://itl.nist.gov/div898/handbook/eda/section3/eda351.htm

CR08 NIST Measures of Scale

Original notes: P2-S5, P3-S2

https://itl.nist.gov/div898/handbook/eda/section3/eda356.htm

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR09 NIST Detection of Outliers

Original notes: P2-S6

https://itl.nist.gov/div898/handbook/eda/section3/eda35h.htm

CR10 REALEX original research scenarios and calculations

Original notes: P2-S7

Course route: REALEX Lessons 7, 9, 23, 28, 31 and 34

CR11 OpenStax Time Value of Money Basics

Original notes: P3-S3

https://openstax.org/books/principles-finance-2e/pages/7-2-time-value-of-money-tvm-basics

CR12 OpenStax Annuities

Original notes: P3-S4, P5-S5, P6-S5, MA-R3, MB-R3

https://openstax.org/books/principles-finance-2e/pages/8-2-annuities

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR13 OpenStax Loan Amortization

Original notes: P3-S5

https://openstax.org/books/principles-finance-2e/pages/8-3-loan-amortization

CR14 OpenStax Net Present Value Method

Original notes: P3-S6

https://openstax.org/books/principles-finance-2e/pages/16-2-net-present-value-npv-method

CR15 REALEX original calculations

Original notes: P3-S7

Course route: REALEX Lessons 6, 7, 24, 25, 26, 27, 29, 32 and 33

CR16 RICS Report Framework Guidance

Original notes: P4-S2

https://www.rics.org/content/dam/ricsglobal/documents/standards/Guidance_on_Use_of_Red_Book_Terms_of_Engagement___Valuation_Report_Frameworks_2025.pdf

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR17 REALEX original report scenarios

Original notes: P4-S3

Course route: REALEX Lessons 34 and 36

CR18 REALEX original equipment scenarios

Original notes: P5-S3

Course route: REALEX Lesson 29

CR19 REALEX original valuation cases

Original notes: P6-S3

Course route: REALEX Lessons 27, 28, 30 and 36

CR20 RA 7160 Local Government Code

Original notes: P7-S1, MA-R6, MB-R6

https://lawphil.net/statutes/repacts/ra1991/ra_7160_1991.html

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR21 RA 12001 RPVARA

Original notes: P7-S2, P8-S7, P9-S1, MA-R7, MB-R7

https://lawphil.net/statutes/repacts/ra2024/ra_12001_2024.html

CR22 REALEX original assessment cases

Original notes: P7-S4

Course routes Lessons 21 22 29 31 and 32

CR23 QGIS 3.40 Vector Data

Original notes: P8-S1

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/vector_data.html

CR24 QGIS 3.40 Raster Data

Original notes: P8-S2

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/raster_data.html

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR25 QGIS 3.40 Coordinate Reference Systems

Original notes: P8-S3

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/coordinate_reference_systems.html

CR26 QGIS 3.40 Vector Analysis

Original notes: P8-S4

https://docs.qgis.org/3.40/en/docs/user_manual/processing_algs/qgis/vectoranalysis.html

CR27 QGIS 3.40 Vector General

Original notes: P8-S5

https://docs.qgis.org/3.40/en/docs/user_manual/processing_algs/qgis/vectorgeneral.html

CR28 REALEX original GIS cases

Original notes: P8-S6

Course route Lesson 33

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR29 RPVARA IRR and BIR RMC 30 2025

Original notes: P9-S2, MA-R14, MB-R14

https://bir-cdn.bir.gov.ph/BIR/pdf/RMC%20No.%2030-2025v2.pdf

CR30 PVS third edition and DOF introduction

Original notes: P9-S3, MA-R12, MB-R12

https://www.dof.gov.ph/blgfs-lgu-finance-performance-awarding-electronic-or-valuation-launch/

CR31 RA 12252 Investors Lease Act amendment

Original notes: P9-S4, MA-R13, MB-R13

https://www.lawphil.net/statutes/repacts/ra2025/ra_12252_2025.html

CR32 BSP RPPI and methodology transition

Original notes: P9-S5, MA-R9, MB-R9

https://www.bsp.gov.ph/Pages/MediaAndResearch/PublicationsAndReports/RPPI.aspx

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Consolidated Source Register

Reference date 13 October 2026. Qualified codes point to the original section or form notes, which retain their particular scope. Reference addresses are grouped for convenience.

CR33 IVSC announcement 30 January 2026

Original notes: P9-S6, MA-R10, MB-R10

https://ivsc.org/ivs-exposure-draft-published-for-consultation/

CR34 REALEX original dated update cases

Original notes: P9-S8

Course route Lesson 35

CR35 QGIS 3.40 GIS documentation

Original notes: MA-R8, MB-R8

https://docs.qgis.org/3.40/en/docs/gentle_gis_introduction/index.html

CR36 REALEX original mock forms

Original notes: MA-R15, MB-R15

Course routes REALEX Questionnaire 2 Lessons 6 7 9 17 21–36

Distinguish a statute, effective standard, implementing instrument, dated announcement and original supplied case. The original source note and the case facts control the reference’s use.

Correction and Change Record

Preserve the exact item ID, version, original response and evidence when recording a suspected error or later source development.

Item ID _____ Version _____ Book page _____

Date and reviewer _____

Issue original error / later change / ambiguity / calculation / layout

Exact wording or step questioned _____

Governing source and effective date _____

Proposed correction and reason _____

Affected options key and explanation _____

Review result and evidence _____

Corrected version and publication date _____

Coherent revisions

Update the question, option order, key, all affected explanations and structured record together. A later rule change is distinct from an error in a question expressly testing an earlier dated source. Preserve both contexts.

Version	Date	Scope
Assembly 1.0	13 October 2026	Complete pagination covers contents and back matter.
Item content 1.0	13 October 2026	Approved question IDs and printed option order retained.

Edition Assembly Review Record

This record describes completion and consistency checks for the assembled Questionnaire 2 edition.

Check	Edition record
Question records	600: 400 topic-practice and two 100-item mocks.
Practice quotas	P1 100; P2 48; P3 60; P4–P7 40 each; P8 20; P9 12.
Each mock allocation	P1 25; P2 12; P3 15; P4–P7 10 each; P8 5; P9 3.
IDs and options	600 unique IDs; four distinct options and one correct option per item.
Keys and explanations	Printed stems choices compact keys and explanations matched to the bank.
Numerical review	262 numerical records checked during section and mock production.
Source resolution	88 qualified source notes grouped into 36 references.
Navigation	Global page locators and item routes checked against the rendered volume.
Covers and closing material	Graphic front and back covers integrated; back matter included.
Review boundary	Editorial document review; forms are not psychometrically calibrated or equated.

Examination currency

The published 2026 program supplies the subject-structure reference. The applicable 2027 program, detailed TOS and permitted aids remain to be verified for the actual sitting. Editorial question counts are not official topic quotas.

Study Completion and Mock Comparison

Name _____ Study period _____
Edition assembly 1.0 Item content 1.0

Topic	Practice correct	Mock A correct	Mock B correct
P1	____ / 100	____ / 25	____ / 25
P2	____ / 48	____ / 12	____ / 12
P3	____ / 60	____ / 15	____ / 15
P4	____ / 40	____ / 10	____ / 10
P5	____ / 40	____ / 10	____ / 10
P6	____ / 40	____ / 10	____ / 10
P7	____ / 40	____ / 10	____ / 10
P8	____ / 20	____ / 5	____ / 5
P9	____ / 12	____ / 3	____ / 3

Mock A ____ / 100 Date _____ Elapsed _____
Mock B ____ / 100 Date _____ Elapsed _____
First or repeated attempt conditions _____

Use the comparison

Compare topic percentages using their own denominators and record uncertainty. A higher repeated score can reflect recall. The two forms are not demonstrated statistically equivalent; use recurring errors and repaired reasoning alongside scores.

All nine topic sections reviewed _____
Both mocks completed under recorded conditions _____
Numerical errors rebuilt _____ Source errors resolved _____
Remaining gaps and next review _____

Edition and Source Currency

REALEX Questionnaire 2
Professional Appraisal Practice
2027 Preparation Edition
Russell Famisaran
Assembly 1.0 • Item content 1.0
Prepared 13 October 2026

Complete content

This volume contains 600 original questions, its own keys and explanations, worked calculations, response sheets, lesson routes and study records. These questions are additional to the separate Lessons book's practice material.

Use source dates carefully

The cover year identifies the preparation edition. Valuation date, source-publication date, standard edition and statutory effectivity are distinct. Dated consultation questions remain questions about the identified announcement. Historical relief cases do not promise present eligibility.

Companion publications

The Lessons book provides the teaching sequence. Questionnaire 1 covers Fundamentals; Questionnaire 2 covers Professional Appraisal Practice. Each carries its own matched keys. Combining subject results or importing records requires the complete IDs and versions.

Later editions

Verify authoritative changes and actual property records before relying on a rule in practice or publishing a later update. Record the effective date and affected items rather than silently replacing an earlier historical answer.

REALEX

QUESTIONNAIRE 2

PROFESSIONAL APPRAISAL PRACTICE

600 ORIGINAL QUESTIONS

400 Topic-Practice Questions
Two Fresh 100-Item Mock Examinations
Answer Keys and Explanations for Every Option

NINE PRACTICE AREAS

1. Appraisal Approaches
2. Procedures and Research
3. Practical Appraisal Mathematics
4. Appraisal Report Writing
5. Machinery and Equipment
6. Cases and Specialized Valuation
7. Assessment and Tax Application
8. Geographic Information Systems
9. Current Events

Worked Calculations • Lesson References • Study Records



2027 PREPARATION EDITION

Russell Famisaran

Independent Examination Preparation Publication