

Is Market Value the same as sale price?

Individual transactions, even if they are “arm’s length,” do not necessarily occur exactly at the expected market rate. Since every combination of buyer, seller, and property is unique, there will normally be factors that cause the price for a particular transaction to be higher or lower than the market would predict. Put another way, some deals are better or worse than others, but we can only decide that by examining the market as a whole, and comparing the individual transaction to other, similar transactions. Regardless of the terms of a single sale or lease or building cost, every property must be evaluated in terms of what is reasonable and typical in the market for the property type and location.