

## **What Market Value is not**

There are many types of transactions that do not generally meet the market value standard. Sales that occur as the result of a foreclosure or pre-foreclosure process, auction sales, estate sales, sales between related parties, and sales involving non-profit institutions are all examples of transactions that must be carefully analyzed to determine whether they can be considered market transactions. Similarly, there are other meanings of the term “value” that are usually not the same as market value—for example, insured value, salvage value, present use value, book value, or actual construction cost. Again, other meanings of value must be compared to the market value definition to determine whether they are useful indications of market value.