THIS DOESN'T ADD UP

An appraiser explains why square-footage numbers can vary for a single property.

by M.E. Atwood

As a Texas REALTOR®, you have probably seen instances when a property has different square-footage totals reported by multiple sources. Why does that happen?

The majority of discrepancies can be attributed to rounding, use of different measuring tools, and variation in rules defining and measuring living space.

ROUNDING IS HANDY BUT IMPRECISE

Most REALTORS® probably use the tax records for an initial size estimate of a house. That is fine, but realize that the majority of appraisal districts only measure to the nearest quarter foot or half foot ... sometimes only to the nearest foot. By contrast, an appraiser hired by a lender or property owner typically measures to the nearest inch.

Also, appraisal districts rarely get to visit the interior of a house. Is that room 20 feet by 22 feet like the district's drawing shows, or is it really 20 feet by 24 feet? A difference like this amounts to a 40-square-foot discrepancy.

Even if the appraisal district used the original blueprints for the house, that is no guarantee that the appraisal district accurately recorded each measurement. Further, it is rare for a house to be built exactly to the measurements on blueprints. The front may be three inches longer than the rear. Or the left side of the house may be four inches longer than the right side of the house. How is this dilemma solved? Rounding.

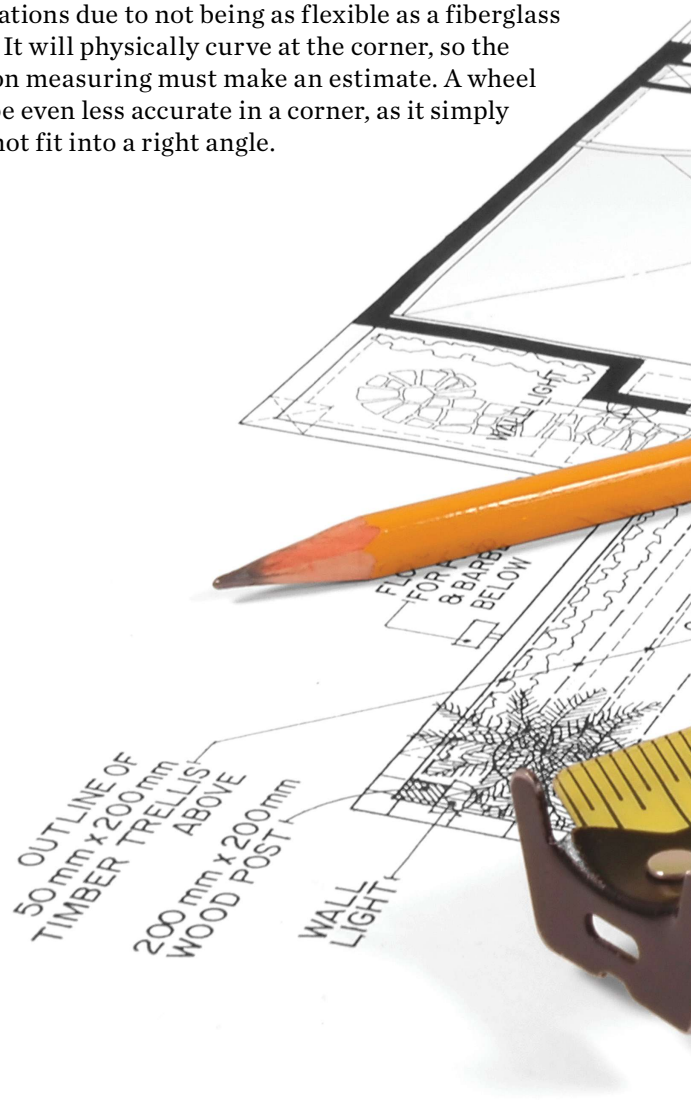
Another measuring challenge with some houses occurs when builders use brick or stone on most sides but go with frame siding on one side of the garage or a portion of the rear of the house. A brick ledge is about four inches. So if you measure one side that is all brick and you measure the other side that lacks it, what are you to do? The side that has the least number of measurements is considered the most reliable, so you round to that side.

THE TOOLS CAN MAKE A DIFFERENCE

The measuring instrument itself can affect the final dimensions. Laser measuring equipment can produce a very accurate measurement *if* you have a clear shot. However, sometimes there is a bush or other object obscuring the line of sight, so it's difficult to get an accurate measurement.

Fiberglass tapes are reliable when new, but they stretch as they age. If you strap a side of a house that is 42 feet with a new tape, it could be 42-feet-two-inches with an old tape.

A steel tape tends to be more accurate but also has limitations due to not being as flexible as a fiberglass tape. It will physically curve at the corner, so the person measuring must make an estimate. A wheel can be even less accurate in a corner, as it simply will not fit into a right angle.



NOT ALL ENTITIES AGREE ON WHAT IS CONSIDERED LIVING SPACE

Definitions—and who is using them—can also create discrepancies. For example, Fannie Mae and Freddie Mac require categorizing space in basements in a separate category (Basement & Finished Rooms Below-Grade) from the above-grade room count and square footage. That's true even for a highly finished walkout basement.

Houses with additions or converted attics can present challenges as well. Unusual floor plans, multiple stories, open areas, spaces that widen or narrow at the floor or ceiling, and complicated layouts increase the likelihood of differences.

An excellent source for learning more about measuring homes is the American National Standards Institute, or ANSI (Search Google for *ANSI-square footage*). Though the ANSI guide is voluntary, it offers plenty of information that may help you understand differences in square footage.

It's important you recognize that different totals are common—even from reputable sources—and why they exist. If your buyers or sellers have specific questions about measurements or discrepancies, though, the best person to answer those questions is a licensed appraiser. ✭

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Advertising the square footage? Protect yourself

When you include the square footage of a property in marketing materials or other documentation, the Texas Association of REALTORS® Legal Department suggests you quote the information source and let prospective buyers know if you have any reason to know that the information is false or inaccurate. Use the *Notice of Information From Other Sources* (TAR 2502) form to report this information.

—**Lori Levy,** TAR general counsel