

To sum up – market value and cost (reconstruction) value, assessed on the base of sufficient amount of reliable market data and with skillful calculation of various factors' influence, including all kinds of depreciation, on prices set on the real estate market, can be useful both for the needs of banks and financial institutions.

It should be also reminded, that these institutions often need the knowledge not only about real estate value, but also about the factors influencing it. In this aspect the cost approach should not be eliminated from valuation methods, but rather as fast as possible introduced to practice the principles necessary for its proper use.

References

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