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PRODUCT	APPRaisal REPORT	HYBRID OR BIFURCATED APPRAISAL	DESKTOP APPRAISAL	CMA OR BPO	EVALUATION	AUTOMATED VALUATION MODEL (AVM)
SOURCE	APPRAISER	APPRAISER AND/OR NON- APPRAISER	APPRAISER AND/OR NON- APPRAISER	BROKER OR SALES AGENT	NON-APPRAISER	COMPUTER-GENERATED ALGORITHM
DEFINITION	An opinion of value that is developed by a licensed appraiser in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).  It is an unbiased, independent, objective, impartial, credible and reliable opinion of value.	A third-party performs the property inspection and provides the information to the licensed appraiser who uses this information, as well as other data, to complete the appraisal in compliance with USPAP.	A valuation performed without an interior or exterior inspection of the property by an appraiser or any 3rd party. All research is based on information from tax records, MLS data and other reliable sources.	Comparative Market Analysis, or CMA – Commonly prepared by a real estate agent to help their client determine a reasonable listing or purchase price for a property. CMAs do not comply with USPAP.  Brokers Price Opinion, or BPO – Commonly prepared by a real estate broker to determine price (not value), BPOs are traditionally associated with short sales, foreclosures and/or relocations. BPOs do not comply with USPAP.	Evaluation – An opinion of value for use by a lender. An evaluation does not have to comply with USPAP and does not have to be completed by a licensed appraiser.	An AVM is a mathematical model which estimates real estate property value. AVMs were designed to speed up the valuation process and reduce costs. Using algorithms and previously collected information, a value estimate is computer generated. Results may not be credible if adequate and relevant data is unavailable. An AVM is an evaluation, which is not an appraisal. Both Fannie Mae and Freddie Mac offer AVM- based valuations. Lenders may refer to this as an appraisal waiver. Borrowers have the right to reject the waiver and request an appraisal report.
LEVEL OF INSPECTION CAN AFFECT RESULTS	INTERIOR AND EXTERIOR INSPECTION BY AN APPRAISER	INSPECTION BY AN APPRAISER OR A THIRD PARTY	NO INSPECTION	MAY OR MAY NOT HAVE INSPECTION BY APPRAISER	NO INSPECTION	NO INSPECTION
LEVEL OF INSPECTION/ VALUATION						
	MOST COMPREHENSIVE					LEAST COMPREHENSIVE



The background of the entire page is a detailed architectural floor plan of a residential building. It shows various rooms including a kitchen, living area, dining area, and several bathrooms. The drawing uses fine lines to represent walls, doors, windows, and furniture. Numerous dimension lines with arrows and tick marks are scattered throughout the plan, indicating measurements for room sizes, wall thicknesses, and furniture placement. The drawing is rendered in a light brown or sepia tone on a white grid background.

# **SQUARE FOOTAGE— METHOD FOR CALCULATING: ANSI Z765-2021**

AMERICAN NATIONAL STANDARD FOR  
SINGLE-FAMILY RESIDENTIAL BUILDINGS

APPROVED MARCH 29, 2021

AMERICAN NATIONAL STANDARDS INSTITUTE, INC.  
HOME INNOVATION RESEARCH LABS



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Published by

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An American National Standard (ANS) is developed through a consensus process that involves those organizations and individuals directly and materially affected by the existence of a standard. A standard itself is a voluntary guide for producers and consumers. The American National Standards Institute (ANSI) is the central body responsible for identifying a single, consistent set of voluntary standards and verifying that the principles of openness and due process are heeded. Every ANS is subject to periodic review and revision.

A standard allows individuals and organizations that use different terminologies based on different points of view to communicate, cooperate, and calculate quantities on a common basis. This Standard promotes these goals in the hope that square footage calculation can become an item of agreement rather than a point of contention between groups with different interests and concerns.

This Standard for the calculation and reporting of above- and below-grade square footage in single-family houses is offered for voluntary application. The Standard must be applied as a whole. The Standard is not meant to replace or supersede any legal or otherwise required existing area measurement method. It may be used in proposed, new, or existing single-family houses of any style or construction but is not applicable to apartment/multifamily buildings. It does not cover room dimensions.

Before the original adoption of this Standard in 1996, no national standard existed in the United States for measuring square footage in single-family houses. By contrast, a standard applicable to commercial buildings has been in effect for 80 years. In 1915, the Building Owners and Managers Association International (BOMA) developed a standard method for measuring floor area in office buildings. The BOMA Standard was revised in 1952, 1955, 1971, 1980, 1989, 1996, 2010 and 2017, and now bears the title *BOMA 2017 for Office Buildings: Standard Methods of Measurement (ANSI/BOMA Z65.1 2017)*. Additionally, BOMA issued a square footage measurement methodology for multi-unit residential buildings in 2010 titled, *Multi-Unit Residential Buildings: Standard Methods of Measurement (ANSI/BOMA Z65.4-2010)*.

The Ontario New Home Warranty Program issued *Builder Bulletin No. 22 Floor Area Calculations* on November 15, 1989. The bulletin's set of requirements for uniform floor area calculation applies to single-family houses and condominiums that enroll in the program and only when a numeric value for floor area is used in advertising and sales materials, in an

agreement of purchase and sale, in a construction contract, or whenever the size of the house is stated in printed materials. Over the years, other groups have developed their own conventions for square footage calculation within their organizations.

In April 1994, the National Association of Home Builders (NAHB)—at the request of the Home Builders Association of Greater New Orleans and other builder members commissioned the NAHB Research Center (a wholly owned subsidiary of NAHB; renamed Home Innovation Research Labs as of February 12, 2013) to act as secretariat for an ANSI Accredited Standards Committee and to assemble a group of organization representatives and individuals materially and directly affected by the development of an ANS for the measurement of square footage in detached and attached single-family houses. The committee held its first meeting on November 22, 1994.

ANSI procedures require periodic review to ensure standards are current and relevant. In 2003, the consensus committee approved changes to Section 4, which consisted of an editorial reorganization of its provisions and the addition of a subsection specifying reporting requirements for calculation results produced using other measurement methods. The changes to the Annex consisted of: (1) The addition of a description of decorative finishes for concrete floors, along with recognition of this type of concrete floor as a type of floor finish; and (2) The addition of text acknowledging that the Standard does not address differences between calculations made by multiple parties for the same property.

In 2011, a consensus committee considered changes to the 2003 edition of ANSI Z765. The consensus committee reaffirmed the 2003 edition.

In 2019, a consensus committee considered changes to the reaffirmed 2003 version of ANSI Z765. Most of the approved modifications did not fundamentally change the standard, but rather provided additional clarity. Modifications approved during this most recent review and update process were mainly in the Commentary section and included: (1) Clearer instructions for how/when to account for staircases to unfinished areas; and (2) Clarifications within Figure 5.


This Standard has an Annex section, which is non-normative—meaning that it is not intended to be enforced along with the body of the Standard. Information in the Annex is intended to comment on and illustrate the use of the Standard; however, the Annex is not considered part of the Standard.



Suggestions for improvement of this standard are welcome and should be forwarded to:

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This standard was processed and approved for submittal to ANSI by the Accredited Standards Committee on Residential Square Footage, Z765. Committee approval of the standard does not necessarily imply that all committee members voted for its approval. At the time it approved this standard, the Z765 Committee consisted of the following members listed in the right column.

  
Wayne M. Foley,  
Chair, Consensus Committee

**Home Innovation Research Labs Secretariat**  
Kevin Kauffman, Standards Coordinator

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**BM Appraisals (U)**  
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**City of Winter Park, Florida (G)**  
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Wayne M. Foley (Chair)

<b>Total</b>	<b>13</b>
General	3
Producer	5
User	5



# SQUARE FOOTAGE—METHOD FOR CALCULATING: ANSI Z765-2021

## 1. SCOPE AND PURPOSE

### 1.1 Scope

This standard describes the procedures to be followed in measuring and calculating the square footage of detached and attached single-family houses.

### 1.2 Purpose

It is the purpose of this standard to describe a method of measurement that will make it possible to obtain accurate and reproducible measurements of square footage in single-family houses.

## 2. DEFINITIONS

### 2.1 Attached Single-Family House

A house that has its own roof and foundation, is separated from other houses by dividing walls that extend from roof to foundation, and does not share utility services with adjoining houses; may be known as a townhouse, rowhouse, or duplex, for example.

### 2.2 Detached Single-Family House

A house that has open space on all its sides.

### 2.3 Finished Area

An enclosed area in a house that is suitable for year-round use based upon its geographic region, embodying walls, floors, and ceilings that are similar to the rest of the house.

### 2.4 Garage

A structure intended for the storage of automobiles and other vehicles.

### 2.5 Grade

The ground level at the perimeter of the exterior finished surface of a house.

### 2.6 Level

Areas of the house that are vertically within 2 ft. of the same horizontal plane.

### 2.7 Square Footage

An area of a house that is measured and calculated in accordance with the standard. When employing Metric or Standard International (SI) measurement units, the term floor area is used in place of square footage.

### 2.8 Unfinished Area

Sections of a house that do not meet the criteria of *finished area*.



### 3. CALCULATION OF SQUARE FOOTAGE

To claim adherence to this standard, the following methods of measurement and calculation must be employed when quantifying square footage in single-family houses. When using English measurement units, the house is measured to the nearest inch or tenth of a foot; the final square footage is reported to the nearest whole square foot. When using Metric or Standard International (SI) measurement units, the house is measured to the nearest 0.01 meter; the final floor area is reported to the nearest 0.1 square meter.

#### 3.1 Calculation Methods

Calculation of square footage made by using exterior dimensions but without an inspection of the interior spaces is allowed but must be stated as such when reporting the result of the calculation. Calculation of square footage for a proposed house made by using plans must be stated as such when reporting the result of the calculation.

Circumstances can exist when direct measurement of a structure is not possible. Access to the interior may not be available and the nature of the terrain, structure, or other obstacles may preclude direct physical measurement of the exterior in the time available. Building dimensions developed through some means other than direct measurement or plans can be susceptible to inaccuracy, as is the calculated area. Calculation of square footage developed under such circumstances must be identified as such when reporting the result of the calculation.

#### 3.2 Detached Single-Family Finished Square Footage

For detached single-family houses, the finished square footage of each level is the sum of finished areas on that level measured at floor level to the exterior finished surface of the outside walls.

#### 3.3 Attached Single-Family Finished Square Footage

For attached single-family houses, the finished square footage of each level is the sum of the finished areas on that level measured at floor level to the exterior finished surface of the outside wall or from the centerlines between houses, where appropriate.

#### 3.4 Finished Areas Adjacent to Unfinished Areas

Where finished and unfinished areas are adjacent on the same level, the finished square footage is calculated by measuring to the exterior edge or unfinished surface of any interior partition between the areas.

#### 3.5 Openings to the Floor Below

Openings to the floor below cannot be included in the square footage calculation. However, the area of both stair treads and landings proceeding to the floor below is included in the finished area of the floor from which the stairs descend, not to exceed the area of the opening in the floor.

#### 3.6 Above- and Below-Grade Finished Areas

The above-grade finished square footage of a house is the sum of finished areas on levels that are entirely above grade. The below-grade finished square footage of a house is the sum of finished areas on levels that are wholly or partly below grade.

#### 3.7 Ceiling Height Requirements

To be included in finished square footage calculations, finished areas must have a ceiling height of at least 7 ft. (2.13 m) except under beams, ducts, and other obstructions where the height may be 6 ft. 4 in. (1.93 m); under stairs where there is no specified height requirement; or where the ceiling is sloped. If a room's ceiling is sloped, at least one-half of the finished square footage in that room must have a vertical ceiling height of at least 7 ft. (2.13 m); no portion of the finished area that has a height of less than 5 ft. (1.52 m) may be included in finished square footage.

#### 3.8 Finished Areas Connected to the House

Finished areas that are connected to the main body of the house by other finished areas such as hallways or stairways are included in the finished square footage of the floor that is at the same level. Finished areas that are not connected to the house in such a manner cannot be included in the finished square footage of any level.

#### 3.9 Garages, Unfinished Areas, and Protrusions

Garages and unfinished areas cannot be included in the calculation of finished square footage. Chimneys, windows, and other finished areas that protrude beyond the exterior finished surface of the outside walls and do not have a floor on the same level cannot be included in the calculation of square footage.



## 4. STATEMENT OF FINISHED SQUARE FOOTAGE

Failure to provide the declarations listed below—where applicable—voids any claim of adherence to this standard.

### 4.1 Rounding

The finished square footage of a house is to be reported to the nearest whole square foot for above-grade finished square footage and for below-grade finished square footage. When using SI units, floor area is reported to the nearest 0.1 square meter.

### 4.2 Reporting of Above- and Below-Grade Areas

No statement of a house’s finished square footage can be made without the clear and separate distinction of above-grade areas and below-grade areas.

### 4.3 Areas Not Considered Finished Square Footage

Finished areas that do not meet the criteria of calculated square footage such as those areas not connected to the house, unfinished areas, and other areas that do not fulfill the requirements of finished square footage prescribed above cannot be included in the Statement of Finished Square Footage but may be listed separately. Any calculation and statement of unfinished square footage must distinguish between above-grade areas and below-grade areas.

### 4.4 Interior Spaces Not Inspected Method

If the calculation of finished square footage is made without an inspection of interior spaces to confirm finished areas, unfinished areas, or openings in the floor, the Statement of Finished Square Footage must include a declaration similar to the following:

#### DECLARATION 1

“Finished square footage calculations for this house were made based on measured dimensions only and may include unfinished areas, openings in floors not associated with stairs, or openings in floors exceeding the area of associated stairs.”

### 4.5 Plans-Based Method

If the calculation of finished square footage is made from the plans of a proposed house, the Statement of Finished Square Footage must include a declaration similar to the following:

#### DECLARATION 2

“Finished square footage calculations for this house were made based on plan dimensions only and may vary from the finished square footage of the house as built.”

### 4.6 Other Methods

Circumstances can exist when direct measurement of a structure is not possible. Access to the interior may not be available and the nature of the terrain, structure, or other obstacles may preclude direct physical measurement of the exterior in the time available. Building dimensions developed through some means other than direct measurement or plans can be susceptible to inaccuracy, as is the calculated area. Calculations developed under such circumstance must include a declaration similar to the following:

#### DECLARATION 3

“Finished square footage calculations for this house were made based on estimated dimensions only and may include unfinished areas, or openings in floors not associated with stairs, or openings in floors exceeding the area of associated stairs.”



## Commentary on ANSI Z765

This Annex is non-normative, meaning that it is not intended to be enforced along with the body of the Standard. Information in the Annex is intended to comment on and illustrate the use of the Standard; however, the Annex is not considered part of the Standard.

This standard is not designed for and cannot be applied to the measurement of apartment/multifamily buildings, but it may be employed to measure all detached and attached single-family houses, including townhouses, rowhouses, and other side-by-side houses.

Practitioners of the standard are cautioned to confirm the appropriate legal definition of ownership of the house if applied to detached single-family or attached single-family condominium units to avoid violation of state law. Differences between the method for calculating finished square footage as set out in the standard and methods prescribed by state law to calculate the area of a condominium unit must be resolved on an individual basis. Legal definitions of condominium ownership can be obtained from the state body charged with archiving state law.

The committee chose to use the term *square footage* (instead of *floor area*) because of its common use by producers and consumers of housing.

The methods of measurement and calculation put forth in this standard are not intended or designed to cover the dimensions of rooms within single-family houses. Room dimensions are typically measured between interior finished surfaces rather than between exterior finished surfaces as described in this standard.

The term *habitable space* is often used by established building codes to describe a room or space that has as one of its requirements a specified amount of natural or mechanical light and ventilation sources. The definition of finished area—as employed in this standard—does not imply that finished spaces conform to any requirement for light and ventilation.

This standard makes a clear delineation between above-grade square footage and below-grade square footage; no statement of a house's square footage can be made without that clear and separate distinction. Given the above-grade and below-grade distinction and the definition of grade, the committee acknowledges that this may result in houses that—depending on topography, design, or grade line—have no calculated above-grade finished square footage

derived from the method of measurement employed by this standard. This possible consequence arises from the committee's intent to quantify a house's area while minimizing the likelihood of misinterpretation or misapplication. Houses that are alternatively described as at grade or on grade are typically considered above-grade houses.

Wall and ceiling finishes include but are not limited to painted gypsum wall board, wallpaper-covered plaster board, and wood paneling. Floor finishes include but are not limited to carpeting, vinyl sheeting, hardwood flooring, and concrete floors with decorative finishes but do not include bare concrete.

Decorative finishes are long-lasting or permanent components of the slab produced by such methods as chemical staining, integral coloration of the concrete, scoring, stamping, or other methods that modify the texture or appearance of the slab.

For a room to be included in the square footage calculation, the floor located under sloping ceilings must have a clearance of at least 5 ft. (1.52 m); further, at least one-half of the square footage in the room must have ceilings of at least 7 ft. (2.13 m) in height. For example, a one-and-one-half-story, 28 x 42 ft. Cape Cod-style house has a first level with a ceiling height of 8 ft. On the second level, the ceiling has a maximum height of 9 ft. but a minimum height of 4 ft. at the walls as the ceiling slopes to match the pitch of the roof. All areas are finished. While the first level has 1,176 above-grade finished square feet, only that portion of the second level meeting the ceiling height requirements described above is included in the square footage calculation.

Where finished and unfinished areas are adjacent on the same level, finished square footage is calculated by measuring to the exterior edge or unfinished surface of any interior partition between the areas. For partitions between a finished area and a garage (usually a fire-rated wall), the measurement is made to the surface of the gypsum wall board on the garage side of the partition. For a partition that separates a finished area from an unfinished area (often not a fire-rated wall), the measurement is made to the portion of the partition closest to the unfinished area—usually a wood stud or other framing member.

Porches, balconies, decks, and similar areas that are not enclosed or not suitable for year-round occupancy cannot be included in the Statement of Finished Square Footage but may be listed



separately, measured from the exterior finished surface of the house to the outer edge of the floor surface area or exterior surface, and calculated by using the method referenced in the standard.

The treatment of garage area in the standard allows practitioners to apply local customs. While garages can never be included in finished square footage, the standard does allow the area to be included in unfinished square footage. In the diagrams that accompany this standard, Figure 1 largely shows the garage (and the adjoining laundry) as a structure attached to the main body of the house. As such, the garage is not typically treated as an unfinished area of the house but rather as a separate area simply referred to as “garage.” However, if the garage is located beneath the main body of the house, some localities treat the area as part of the house and contributing to unfinished square footage. Practitioners are urged to heed common local convention with regard to garages.

Finished areas above garages are included in the finished square footage that is at the same level in the main body of the house, but only if they are connected to the house by continuous finished areas such as hallways or staircases.

Exterior finishes include but are not limited to masonry or masonry veneer; wood, aluminum, or vinyl siding; or gypsum wall board when used on the exterior wall common to an attached garage.

Protruding areas beyond the exterior finished surface of the outside walls—such as chimneys and windows—cannot be included in finished square footage unless the protrusions have a floor on the same level and meet ceiling height requirements. For example, a hearth that is within the exterior finished surface is included, as is a window that extends from floor to ceiling. Further, if the hearth is on the first level and the chimney extends through the interior of the second level without a hearth on the second level, no deduction is made from the finished square footage of the second level. However, if the hearth or chimney is located beyond the exterior finished surface or the window does not have a floor, the area cannot be included in the finished square footage. An elevator shaft, laundry chute, and/or a dumbwaiter should be included in the square footage calculation.

A common construction practice is to provide a floor opening for stairs that is the same size as the stairs themselves. Therefore, the area of stairs included in finished square footage is typically equal to the area of the opening in the floor. For example, a two-story,

28 x 42 ft. house embodies 1,176 finished square feet on the first level and 1,176 finished square feet on the second level, provided that all areas are finished and the opening in the floor of the second level does not exceed the area of the stair treads. Further, stairs that descend to an unfinished basement are included in the finished square footage of the first level regardless of the degree of finish of the stairs or the degree of finish of the area around the stairs. Finished stairs suitable for year round use ascending to an unfinished upper area are included in the square footage calculation of the floor from which they descend. In addition, areas beneath stairs are included in the finished square footage regardless of the distance between the stairs and the floor below or of the degree of finish of that area.

The standard makes no statement concerning differences between square footage calculations made by multiple parties for the same property. The method for calculating square footage requires measurements to be taken to the nearest inch or tenth of a foot using English measurement units or to the nearest hundredth of a meter using the Metric system. The final floor area must be reported to either the nearest square foot or tenth of a meter, as appropriate.

### Examples

An example of a Statement of Finished Square Footage of a detached single-family house with basement follows:

#### DECLARATION 1

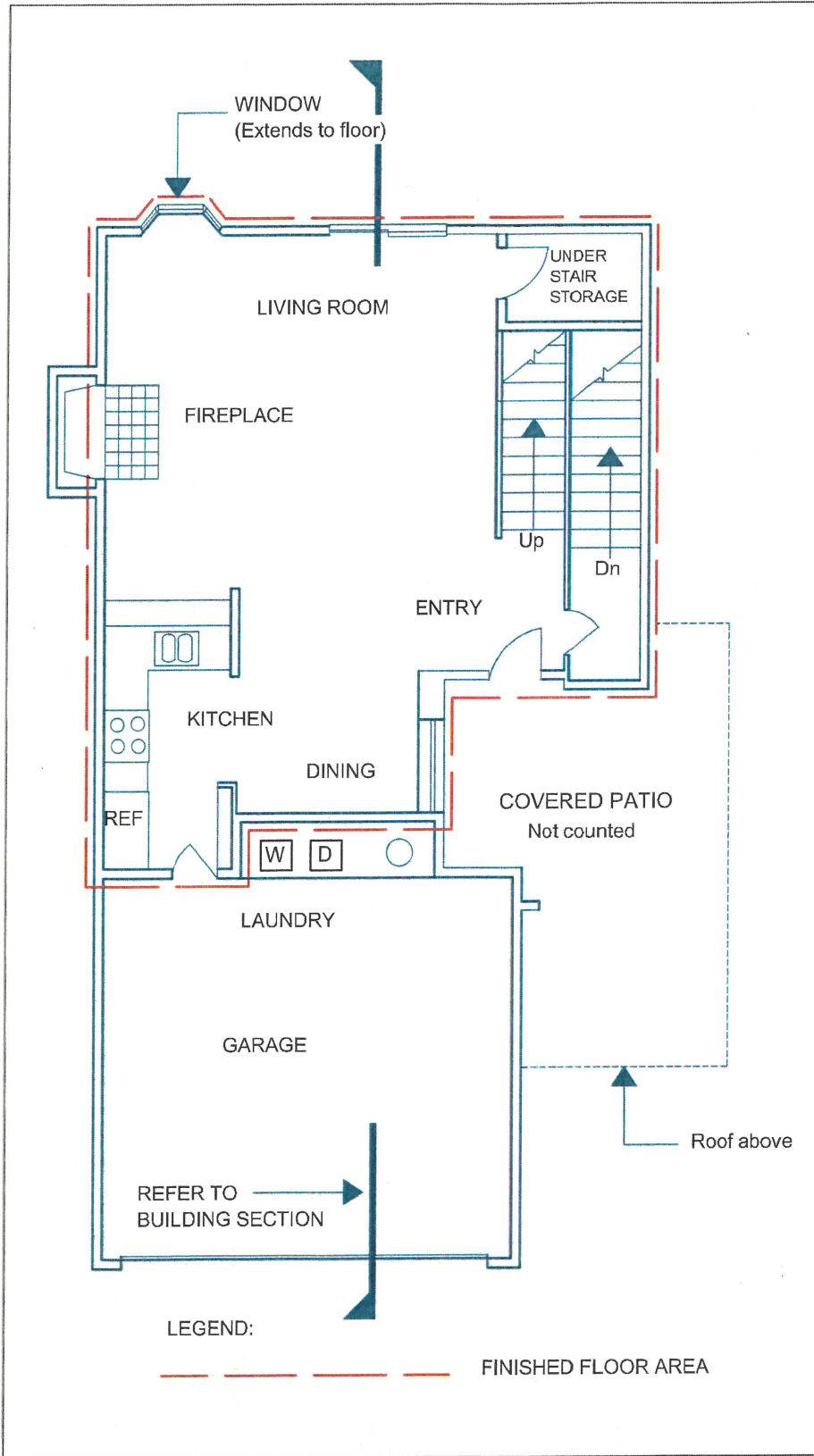
“A 28.2 x 42.5 ft. two-story detached single-family house with 2,201 above-grade finished square feet and 807 below-grade finished square feet, plus 96 above-grade unfinished square feet in a utility room and 392 below-grade unfinished square feet in a basement. The first level has a 100 sq. ft. two-story space. In addition, the property includes a 240 sq. ft. enclosed porch and a two-car garage.”

An example of the square footage description of a two-story attached single-family house follows:

#### DECLARATION 2

“A 22.1 x 30.9 ft. two-story attached single-family carriage townhouse with 1,366 above-grade finished square feet and 176 above-grade unfinished square feet in a utility/storage room. In addition, the property includes a 120 sq. ft. deck and a one-car garage.”





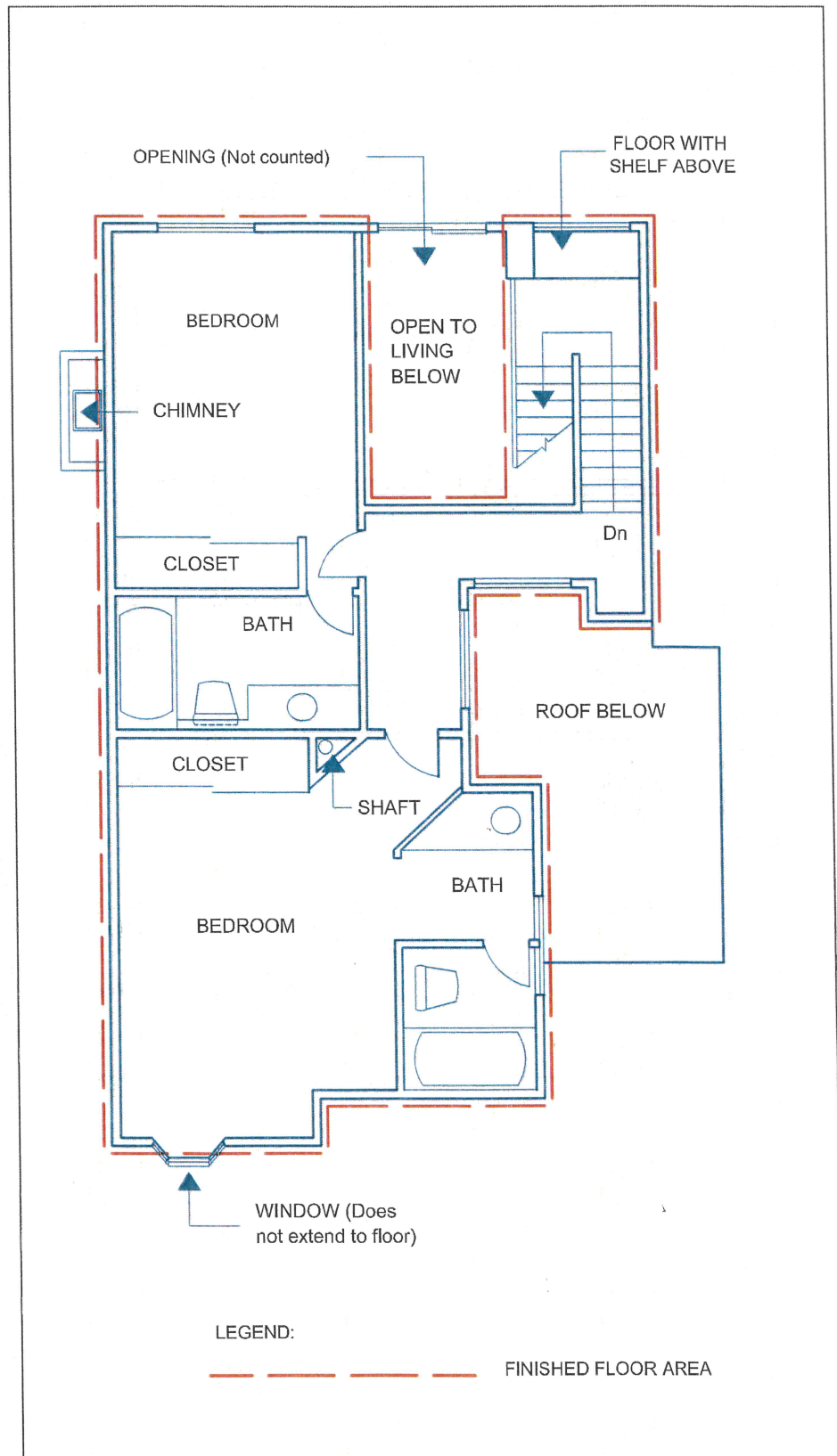
**FIGURE 1.**

Entry-Level Plan  
(above grade)

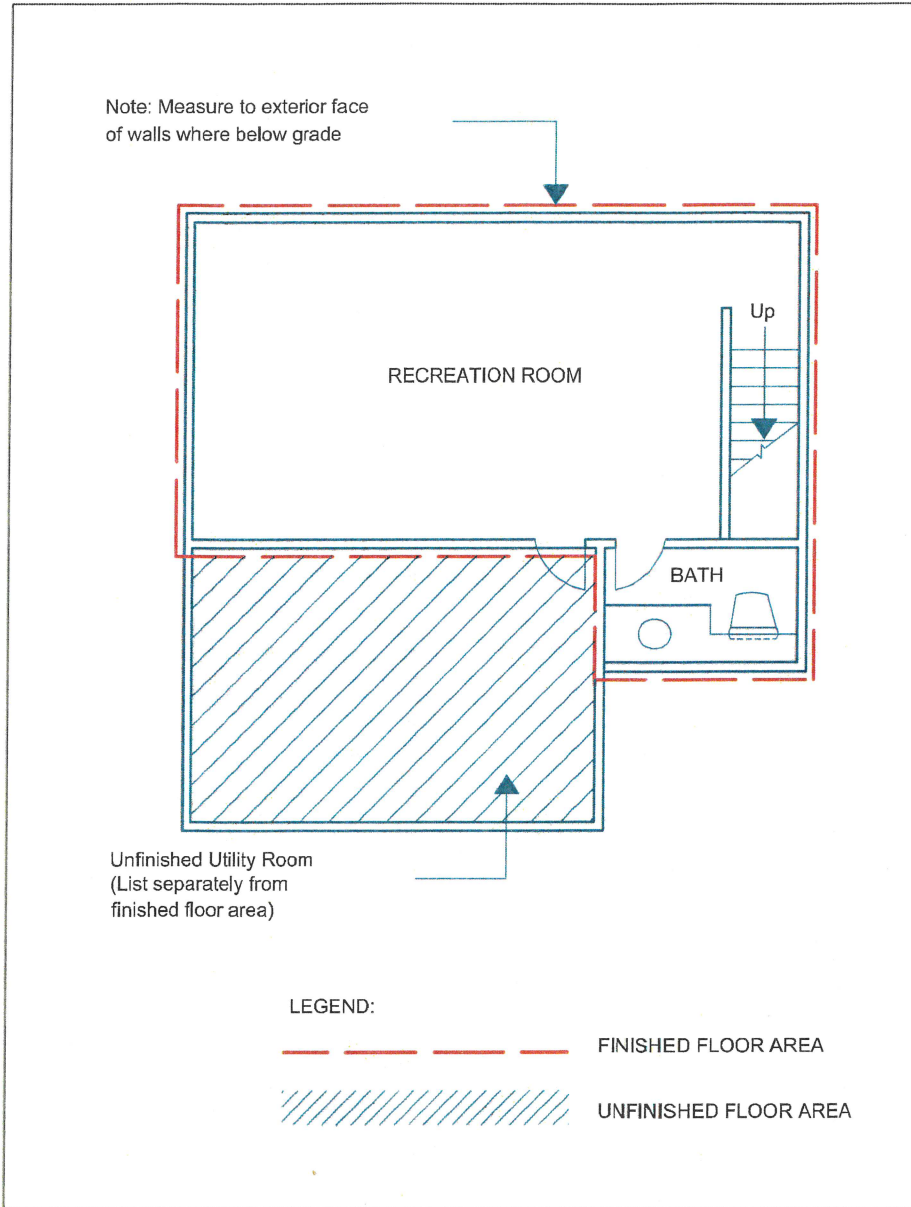
Figures 1 through 4 depict a two-story single-family house with basement. The entry and upper levels are entirely above grade and the basement is entirely below grade. The dashed line encircles the finished floor area that is counted as above-grade finished square footage and below-grade finished square footage. As shown, the upper-level plan has an open foyer and a protruding window that does not extend to the floor; neither area contributes to the square footage of the upper level. The calculated finished square footage of the entry level does not include the protruding fireplace, covered patio, garage, or unfinished laundry. The finished area of the basement is counted toward the below-grade finished square footage in its entirety, including the area under the stairs that descend from the entry level. The area of the unfinished utility room is calculated by using the method prescribed in the standard but is not included in the below-grade finished square footage.



**FIGURE 2.**  
Upper-Level Plan  
(above grade)

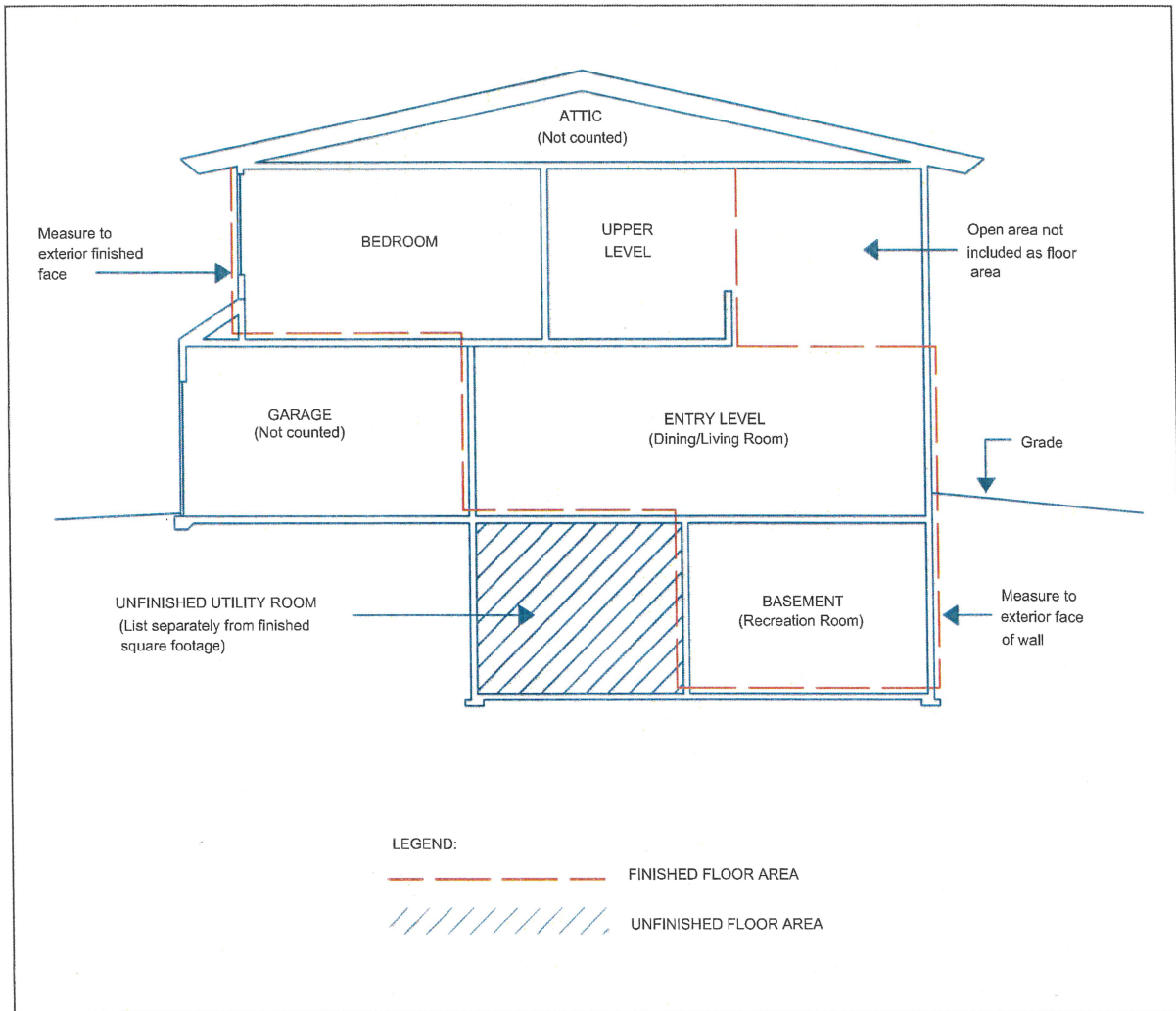


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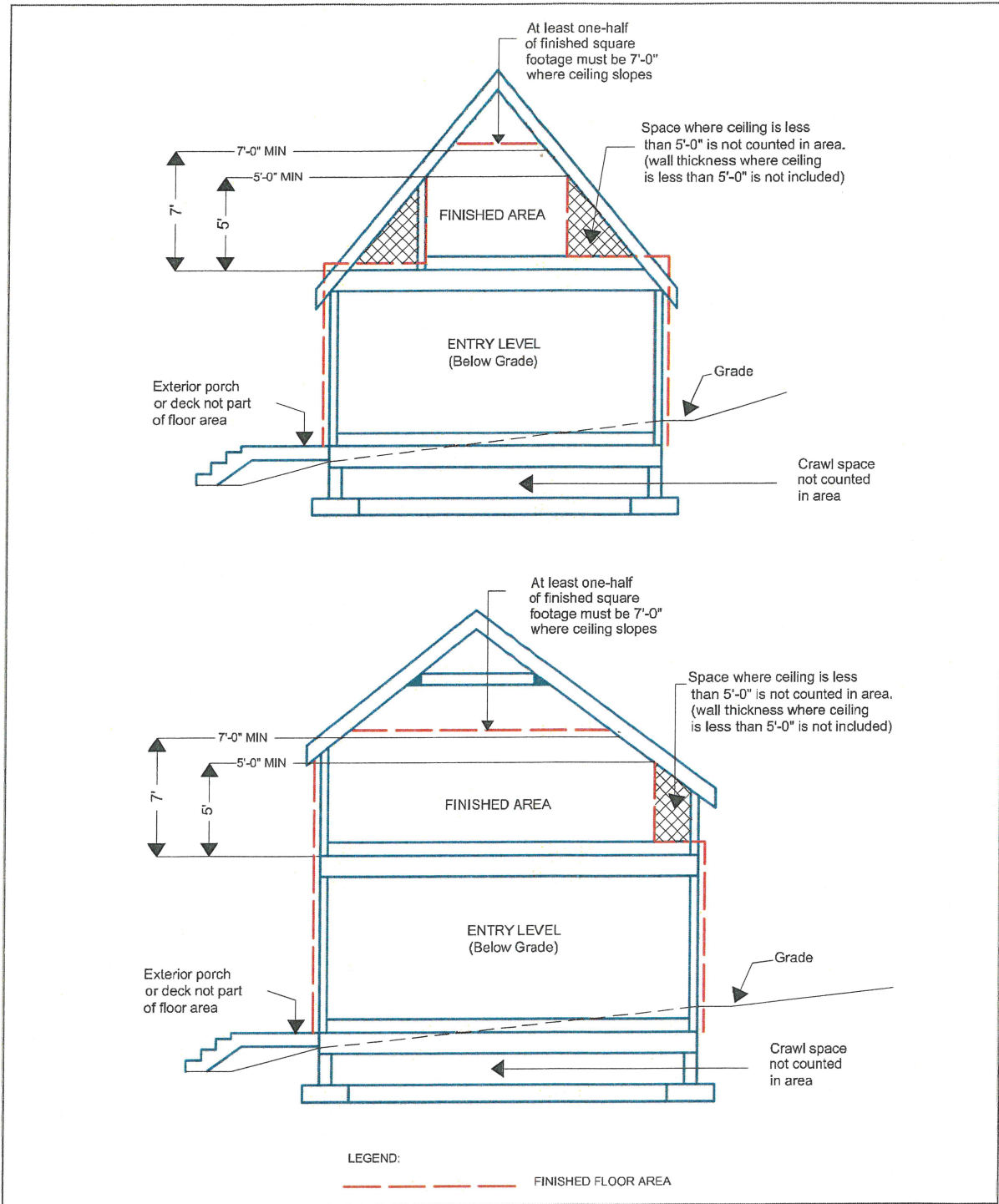


**FIGURE 3.**  
Basement Plan  
(below grade)





**FIGURE 4.**  
Building Section

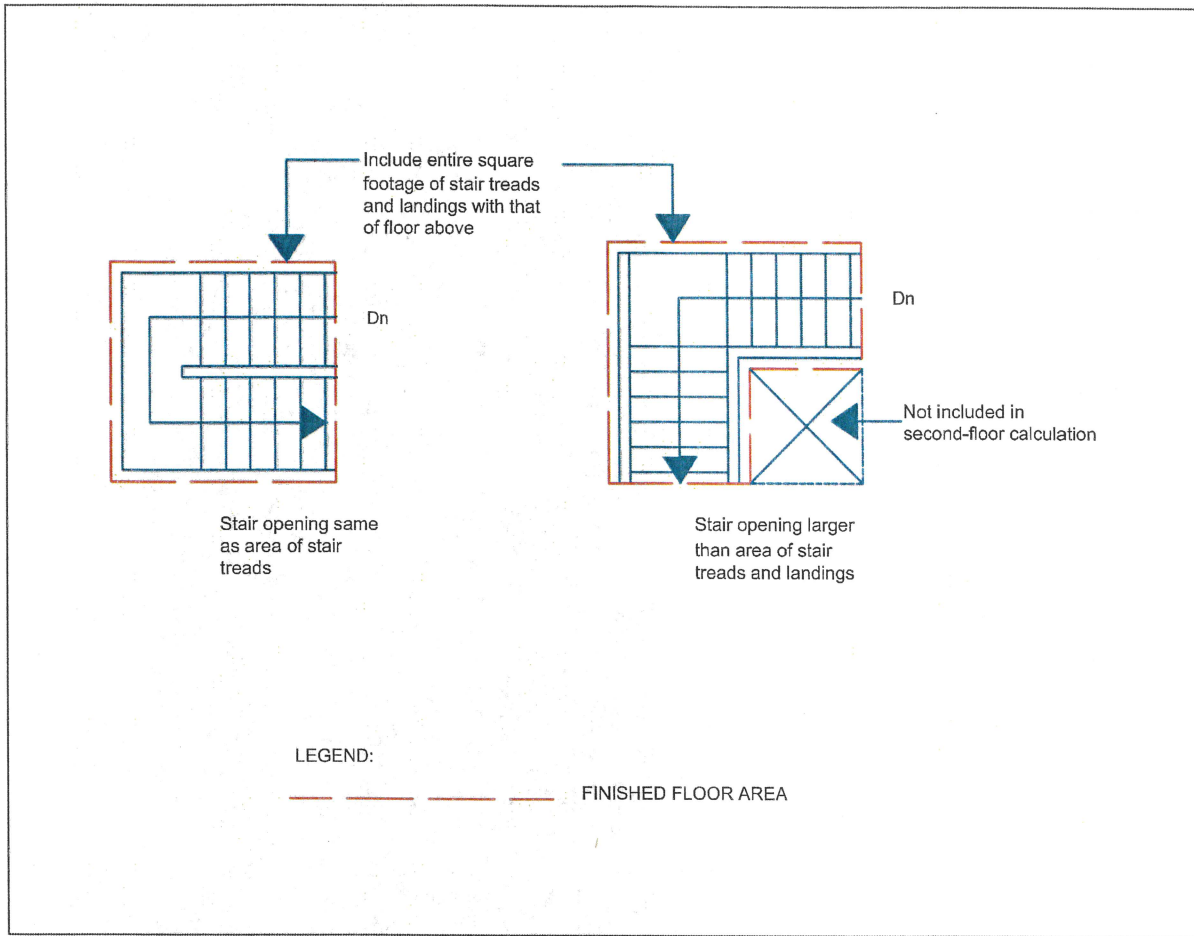


**FIGURE 5.**

**Building Section**

Figure 5 presents the building section of a one-and-one-half-story house with a partially below-grade entry level. The area in the finished loft/attic counting toward the finished square footage of that level has a ceiling height of at least 5 ft. (1.52 m), and at least one-half of the finished square footage has a ceiling height of at least 7 ft. (2.13 m). The entire area of the entry level is considered below-grade finished square footage.





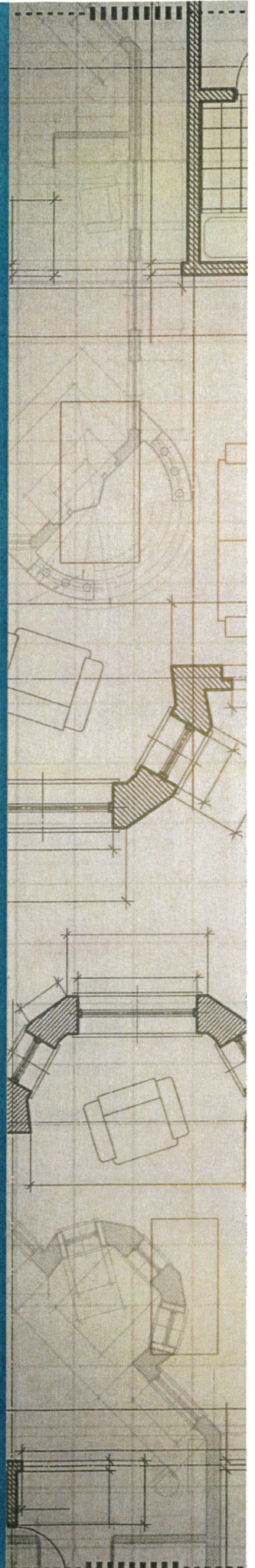
**FIGURE 6.**

**Stairs**

Figure 6 demonstrates two typical stair configurations. Viewed from above, the stair treads and the landing in the drawing on the left fill the entire opening through which they descend. By definition, the area of the stairs and landing (or, by interpretation, the area of the opening) is included in the square footage of the level above. In the drawing on the right, the stair treads and landing merely skirt the opening. Here, the area of the treads and landing must be calculated to be included in the upper-level square footage; the remaining area of the opening is not included.



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# Guidelines for measuring Gross Living Area

## Frequently Asked Questions

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### Q1. Why is Fannie Mae requiring appraisers to follow the Square Footage-Method for Calculating: ANSI® Z765-2021 standard?

Valuations of residential property correlate strongly with Gross Living Area (GLA), yet to date there is substantial inconsistency in how appraisers determine it. Our adoption of the ANSI standard:

- Provides a professional and defensible method for the appraiser.
- Allows transparent and repeatable results for consumers of appraisal reports.
- Creates alignment across market participants.

One key factor in our decision to adopt the ANSI standard now is the recent emergence of new technologies, such as phone apps, which can measure houses, generate floor plans, and calculate GLA. In addition, the new desktop appraisal option Fannie Mae is launching requires a floor plan. Since appraisers are not inspecting the property personally for the desktop appraisal, we anticipate they will commonly receive the floor plan from a third party, so it makes sense that all parties (including the appraiser) would be using the same standards of measurement. ANSI is a standard that technologies can build to, other parties (such as real estate agents) can anticipate, and appraisers can create or consume with confidence.

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### Q2. How prepared are appraisers to adopt the ANSI standard?

Many appraisers have voluntarily adopted the ANSI standard since it first launched in April 1996. Some states require appraisers to adhere to it. Also, the ANSI standard is currently used by the National Association of Home Builders and by some tax assessors. It closely parallels common appraiser practices so adoption for many appraisers will be seamless.

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### Q3. Will appraisers need to adopt new technology to comply with the requirement for sketches to be computer generated?

Most appraisers already provide computer-generated (not hand-drawn) sketches in their reports. Software that creates computer-generated floor plans and sketches for appraisal reports is readily available and already in widespread use by appraisers.

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### Q4. How can appraisers and lenders learn more about the ANSI standard?

For appraisers and lenders who may need training or a refresher, there are many classes available to help them learn or refresh their knowledge of the ANSI standard. Appraisers can always [contact](#) Fannie Mae with questions or feedback on appraisal topics. Copies of the ANSI standard may be purchased at <https://www.homeinnovation.com/about/bookstore>.

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### Q5. When common practice in the local market differs from the ANSI standard, can the appraiser modify the subject's GLA to conform to local custom?

No. The appraiser must measure and report the subject's GLA following the ANSI standard.



# Standardized Property Measuring Guidelines



## Updated guidance

Appraisers will be required to use the Square Footage-Method for Calculating: ANSI® Z765-2021 (American National Standards Institute®) Measuring Standard for measuring, calculating, and reporting gross living area (GLA) and non-GLA areas of subject properties for appraisals requiring interior and exterior inspections with effective dates of April 1, 2022 or later on loans sold to Fannie Mae.

Historically, Fannie Mae's *Selling Guide* has not required the use of a specific measurement standard. This policy update will standardize the method used to measure, calculate, and report GLA and non-GLA areas of subject properties.

All footprint sketches and floor plans must be computer-generated (not hand-drawn), indicate all the dimensions needed to calculate the GLA and other required areas such as garage and basement, and show the calculations to demonstrate how the estimate for gross living area was derived.

## Why the change?

Valuations of residential property correlate strongly with GLA, yet to date there is little consistency in how appraisers determine it. Our adoption of the ANSI standard for measuring, calculating, and reporting square footage:

- Creates alignment across market participants.
- Provides a professional and defensible method for the appraiser.
- Allows transparent and repeatable results for the user of the appraisal report.

## How well do you know ANSI?

Here are some items for appraisers to consider when using the ANSI standard<sup>1</sup>:

- Measurements are taken to the nearest inch or tenth of a foot, and the final square footage is reported to the nearest whole square foot.
- Staircases are included in the GLA of the floor from which they descend.
- Basement is any space that is partially or completely below grade.
- The GLA calculation does not include openings to the floor below, e.g., two-story foyers.
- Finished areas must have a ceiling height of at least 7'. In a room with a sloping ceiling, at least 50% of the finished square footage of the room must have a ceiling height of at least 7' and no portion of the finished area that has a ceiling height of less than 5' can be included in the GLA.
- If a house has a finished area that does not have a ceiling height of 7' for 50% of the finished area, e.g., some cape cods, in conformance with the ANSI Standard, the appraiser may put this area on a separate line in the Sales Comparison Grid with the appropriate market adjustment. The report will be ANSI-compliant and also acknowledge the contributing value of the non-GLA square footage.

## What if comparable sales are measured differently?

GLA for properties in local MLS systems and assessor records may not be ANSI-compliant. The appraiser may not know what method an MLS listing or assessor used to calculate the GLA. Through research and their knowledge of the local market, appraisers determine if the GLA provided through alternate sources should be adjusted. The adjustment process does not change the requirement to report subject GLA to the ANSI standard.

## Is there an exception process?

If the appraiser is unable to adhere to the ANSI Standard, the appraiser will provide the code "GXX001 –" in the Additional Features field on the appraisal form and must explain why compliance was not possible. For example, berm homes with their entire square footage below grade would be eligible for an exception. The appraiser must provide justification for an exception, lenders are responsible for confirming the appraiser provided an adequate explanation. Fannie Mae will monitor for inappropriate use of exceptions (i.e., using methods other than the ANSI standard for homes that have typical above grade square footage).

## What next?

For additional information, see *Selling Guide* [B4-1.3-05](#), Improvements Section of the Appraisal Report and [B4-1.2-01](#), Exhibits for Appraisals.

Appraisers can visit [Home Innovation Research Labs](#) to obtain a copy of the standard and might consider taking a continuing education course to sharpen their skills.

Appraisers are encouraged to begin using the ANSI Z765-2021 Standard as soon as possible; however, it will be required for appraisals with effective dates of April 1, 2022 or later.

<sup>1</sup> American National Standard for Information Sciences — Square Footage — Method for Calculating, ANSI, Z765-2021 (approved March 2021)



# FHA/USDA

## Dwelling Exterior (Includes permanent outbuildings)

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No holes/missing siding or missing or cracked brick

No missing/damaged soffit, guttering, etc.

No flaking/chipped paint (If built before 1978)

No broken/missing window panes or window screens

No overhead electric lines over structures (including over pools, spas, garages, etc.)

No broken/missing exterior stairs

Stair handrails (Must be installed on steps over 30" from ground level)

Must have adequate drainage around the home - gutters are not required if natural drainage is adequate

Crawl space must be dry, properly vented and free of debris (If mechanicals are located in crawl, floor joist must be a minimum of 18" above ground level)

## Dwelling Interior

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All utilities must be on and operable at the time of inspection

All kitchen and bathroom plumbing to be in working condition

All mechanicals (i.e. furnace/water heater) must be on and operable at the time of inspection

Electrical cover plates must be on all electric outlets and junction boxes and no exposed or frayed wires

Attic - Must be dry, properly vented with no signs of water damage and free of debris

Bedrooms - Must have ingress and egress

GFI outlets must be installed on walls with wet locations

Smoke detectors required near sleeping areas and in kitchen

CO2 detector required - no specific location

Water heater - drain pipe must be installed on pressure relief valve

Stair handrails (Must be installed on stairs unless stairs are located between two solid walls)

## External

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Storage tanks containing over 1,000 gal. flammable material - Must be over 300' from structure

Gas/Oil wells - Must be over 75' from dwelling to oil well site boundary

Water well - Must be over 10' from property line

Septic System - Must be over 50' from tank to water well

Septic System - Location must be known & drain lines must be within the property lines

Septic System - Must be no indication of failure or issues visible - Inspection will be required if there is an issue

Abandoned Oil & Gas Wells - Must be over 10' from structure

High pressure gas/petroleum lines - Must be over 10' from easement line

## Required Inspections by Licensed Home Inspectors

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Flat roofs - inspection required regardless of condition

Standing water against the foundation and/or excessively damp basements

Hazardous materials on the site or within the improvements

Faulty or defective mechanical systems (electrical, plumbing or heating/cooling)

Evidence of possible structural failure (e.g., settlement or bulging foundation wall, unsupported floor joists, cracked masonry walls/foundation)

Evidence of possible pest infestation

Leaking or worn out roofs

## Other

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Garage door opener must open & stop when meeting resistance when closing

Flood zone - FHA may accept homes in flood zones with proper flood insurance

Roof must have at least 2 years life left or replacement is required



# FHA/USDA Checklist

External	Pass	Fail	Comments
Storage tanks containing over 1,000 gal. flammable material - Over 300' from structure			
Gas/Oil wells - Over 75' from dwelling to oil well site boundary			
Water well - Over 10' from property line			
Septic System - Over 50' from tank to water well			
Septic System - Location must be known & drain lines must be within the property lines			
Septic System - Must be no indication of failure or issues visible - Inspection will be required if there is an issue			
Abandoned Oil & Gas Wells -Over 10' from structure			
High pressure gas/petroleum lines - Over 10' from easement line			
<b>Required Inspections by Licensed Home Inspectors</b>	<b>Pass</b>	<b>Fail</b>	<b>Comments</b>
Flat roofs - inspection required regardless of condition			
Standing water against the foundation and/or excessively damp basements			
Hazardous materials on the site or within the improvements			
Faulty or defective mechanical systems (electrical, plumbing or heating/cooling)			
Evidence of possible structural failure (e.g., settlement or bulging foundation wall, unsupported floor joists, cracked masonry walls/foundation)			
Evidence of possible pest infestation			
Leaking or worn out roofs			

# FHA/USDA Checklist

	Pass	Fail	Comments
Dwelling Exterior (Includes permanent outbuildings)			
Vinyl/Brick - No holes/missing siding or cracked/missing brick			
Soffett/Guttering, etc. - No missing/damaged/hanging			
Flaking/chipped paint (if built before 1978)			
Windows - No broken/missing window panes/screens			
Electrical - No overhead lines over structure (including pools, spas, outbuildings, etc)			
Stairs - No broken/missing stairs			
Handrails - On all steps over 30" from ground level			
Drainage - Gutters installed & draining properly or adequate natural drainage			
located in crawl, floor joist must be a minimum of 18" above ground level)			
Dwelling Interior	Pass	Fail	Comments
Utilities on and operable at time of inspection			
All kitchen & bathroom plumbing to be in working order			
Mechanicals on and operable at time of inspection			
Electrical - Cover plates on all electric outlets and junction boxes, no exposed or frayed wires			
Attic - Dry, properly vented with no signs of water damage and free of debris			
Bedrooms - Must have ingress and egress			
GFI outlets - Installed on walls with wet locations			
Smoke detectors - Installed near sleeping areas and in kitchen			
CO2 detector - Installed - no specific location			
Water heater - Drain pipe installed on pressure relief valve			
Stair handrails - (Installed on stairs unless stairs are located between two solid walls)			



Other	Pass	Fail	Comments
Garage door opener - Open & stops when meeting resistance when closing			
Flood zone - FHA may accept homes in flood zones with proper flood insurance			
Roof - Has at least 2 years life left			

any areas below the natural grade, measure that whole level separately. Even if the below-grade areas are fully finished, they are not part of the finished floor area according to ANSI standards.

### **Attics, Lofts and Low Ceilings**

Level ceilings must be at least 7 feet high, and at least 6 feet 4 inches under beams, ducts and other obstructions. There is no height restriction under stairs. If a room has a sloped ceiling, at least one-half of the finished floor area must have a ceiling height of at least 7 feet. Otherwise, omit the entire room from the floor area calculations. If a room with a sloped ceiling meets the one-half-of-floor-area-over-7-feet requirement, then include all the floor space with a ceiling height over 5 feet.

Lofts and finished attics must be accessible by a conventional stairway or other access to be counted. If you can only reach the loft by climbing a ladder, it's not part of the finished floor area regardless of the ceiling height.

### **Detached Rooms, Guest Cottages, Granny Units and Dwelling Units**

According to the ANSI standards, finished areas which are not connected to the main residence by a finished hall or stairway must be listed separately. If you have to leave the house to get to the room, it's not part of the finished floor area.

These detached living areas are called various things: "detached bedrooms," "guest cottages," "family care units (granny units)," "guest quarters" and "dwelling units."

A detached bedroom is a separate structure containing one room only without a kitchen or bathroom. It must be designed for and intended to be used as a sleeping or living facility for family members. It must be used in conjunction with the main house which includes a kitchen and a bathroom. Detached bedrooms can't be located farther than 150 feet from the main house and can't exceed 500 square feet in floor area.

A guest cottage is like a detached bedroom with a bathroom, but no kitchen. It can't exceed 640 square feet in floor area and must be a permanent structure, not a trailer or mobile home. It can't have a kitchen, wet bar or any provision for appliances for the storage or preparation of food. It must be clearly subordinate and incidental to the main house. Guest cottages can't be rental units. They must be used without compensation by guests of the occupants of the main house.

A family care unit (sometimes called a granny unit) is determined more by use than design. It is the temporary use of a building, structure or trailer to provide housing for the following.



A computer program such as "Apex" or "Winsketch"  
A medium-size standard screwdriver  
Always start by measuring the outside of the house.

Begin measuring from any corner and work your way around the house. Move counter-clockwise so the numbers on your tape will be right-side-up.

Measure the exterior of the house to the nearest inch or tenth of an inch. Measure from the exterior face of the walls. Include any features that are on the same level as the floor, such as chimneys and bay windows. Do not include the thickness of any corner trim pieces or greenhouse windows that don't have a corresponding floor level. \* Use the 100-foot tape for long wall sections and the 25-foot tape for short sections. If you can't get close to a wall because of landscaping or other obstacles, use your screwdriver to anchor the 100-foot tape on the ground away from the wall.

Draw the dimensions on the graph paper as you go, with each square representing one foot. If you measure correctly you should arrive at the exact point of beginning on your graph paper. If not, re-measure.

Draw a separate floor plan for each level in the house. Don't assume that each floor is identical. Check for floors that overhang or are recessed.  
When you are finished measuring the outside of the house, go inside and decide what to include and what not to include on each level.

If there is an attached garage, exclude it. It's not part of the finished floor area. Use the interior wall surface of the garage next to the house as the outside wall of the house.

If there are stairs, include them on every level they serve.  
When there are openings to the floor below, subtract the opening from that level.  
For split-level designs, measure each level. You can lump multiple floor surfaces into one level if they are within two feet of each other.  
Exclude any areas, such as porches and converted garages, which are not finished or heated the same as the rest of the house.

### **Basements and Below-Grade Floor Areas**

The ANSI standards make a strong distinction between above-grade and below-grade floor area. The above-grade floor area is the sum of all finished square footage which is entirely above ground level. The below-grade floor area includes spaces which are wholly or partly below ground level.

Disregard the old rules of thumb that allow you to include below-grade areas if they are less than five feet below grade or if less than half the area is below grade. If the house has

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only a shower is still seen by the market as a full bath and is considered to be a full bath; not a  $\frac{3}{4}$  bath. A half bath may have a toilet and a sink or a toilet only.

### Summary

As more real estate listings are posted on the Internet, it's likely that consumers will expect some national standards for measuring houses and counting rooms. Also, the new EDI (electronic data interchange) technology being adopted by lenders will require some common standards. Realtors who measure houses correctly and accurately will help raise the standards of the profession and improve consumer confidence.



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Immediate family members who require daily supervision and care; or  
People who provide daily supervision and care for the people who reside in the main residence

A full dwelling unit is a single unit providing complete, independent living facilities for one or more people, including permanent provisions for living, sleeping, eating, cooking and sanitation. A dwelling unit can have only one kitchen.

### **Room Counts, Bedrooms and Bathrooms**

The real estate profession often describes houses by their total room count, the number of bedrooms and the number of bathrooms they contain. For example, the shorthand convention "5/2/1.5" describes a house with 5 rooms, 2 bedrooms and 1.5 bathrooms.

Local custom determines the definition of a "room." In general, a room is a kitchen, a bedroom, a living room, a dining room, a family room, an office or a den. Rooms do not have to be divided by walls as long as there is space for the designated function. In the Northern Michigan market area therefore, the area in a house with a Great Room that encompasses the kitchen, dining and living rooms will have the Great Room counted as three rooms even though there are no walls to separate those areas. Lofts used as bedrooms are seen by the market as acceptable bedrooms and even though they may not have full privacy, they can be counted as a bedroom. **Bathrooms, laundry rooms, sun rooms, closets, storage rooms and entries are not usually considered to be rooms.**

What is the difference between a den and a bedroom? If the den can function as a bedroom, there may be no difference at all. What is the difference between a dining area and a dining room? If you could add walls and it would remain functionally the same, a dining area can be called a dining room.

A bedroom is any room that you can fit a conventional bed into. Usually the local zoning, building or health codes establish minimum requirements for bedrooms. In general, bedrooms should be at least 90 square feet in size, with at least one bedroom in the house 120 square feet in size. Bedrooms should have a window which provides an emergency exit, natural light and ventilation.

Bedrooms should have direct access to a hallway, living room or other common area. You should not have to walk through one bedroom to get to another. A bedroom should have a closet, but this is optional. Before closets, people stored their clothes in armoires and dressers.

Local custom also defines the bathroom. In the Northern Michigan market area, a full bathroom will include a toilet, a sink, and a tub, tub/shower unit or a shower. A bath with

## **The ANSI Standard for Measuring Houses**

In April, 1996 the American National Standards Institute (ANSI) adopted a standard for measuring single-family residential buildings. American National Standard Z765-1996 was developed through a process of consensus among a wide variety of participants. These included the American Institute of Architects, the Appraisal Foundation, the Building Owners and Managers Association, the Manufactured Housing Institute, the National Association of Realtors, Fannie Mae, Freddie Mac, HUD and others.

The ANSI standards are not law, only a voluntary guide, and are subject to periodic review and revision. But anyone using these standards must apply them as a whole, and not just pick out the parts they like or agree with. The standards are intended for both attached and detached single family residences, but not for apartments or multi-family residences.

The ANSI standards base floor area calculations on the exterior dimensions of the building at each floor level, and include all interior walls and voids. For attached units, the outside dimension is the center line of the common walls. Internal room dimensions aren't used in this system of measuring.

The ANSI standards define "finished area" as "an enclosed area in a house suitable for year-round use, embodying walls, floors, and ceilings that are similar to the rest of the house." Measurements must be taken to the nearest inch or tenth of a foot, and floor area must be reported to the nearest square foot. Garages are specifically excluded.

### **How to Measure a House**

Measuring a house is not that hard. For most houses, it's an easy one-person job. However, if someone offers to help, you can always let them hold the "dumb" end of the tape. All you need is a little practice and the following tools.

A 100-foot measuring tape (fiberglass tapes work the best)

A sturdy 25-foot retractable steel measuring tape (like the ones carpenters use)

A letter-size tablet of graph paper (10 squares per inch works best for most houses)

A pencil

If you measure a lot of houses, you should upgrade your tool kit with the following items.

Measuring tapes graduated in tenths of a foot (instead of inches)

An adjustable gauge for measuring unusual corner angles (such as the "Mite-R-Gage" by Nowlin, Inc.)



## Measuring Houses and Counting Rooms

### Using the ANSI Standards

THIS IS THE AGE OF THE CONSUMER. Home buyers are demanding more and better information when they shop for houses. The State of Michigan has responded to this demand by passing a number of laws which require more real estate disclosures. Although there is still no law that requires the disclosure of the exact finished floor area in a house, it's probably only a matter of time before sellers and their agents are going to have to get out the measuring tape.

The total floor area of a house is one of the most important things a buyer needs to know. But, until recently, there has been no national consensus on how to measure a house. For years, architects, builders, real estate agents, lenders and appraisers have been using a hodge-podge of methods to estimate residential floor area. In commercial real estate, where floor area is bought, sold and rented by the square foot, no one would tolerate this kind of vagueness and uncertainty. In fact, standards for measuring office buildings have been in effect since 1915.

This tradition of ambiguity is based on the theory that sellers and their agents will avoid liability if they don't make any claims about floor area. But some buyers think this is just another way that real estate sales people are trying to trick them.

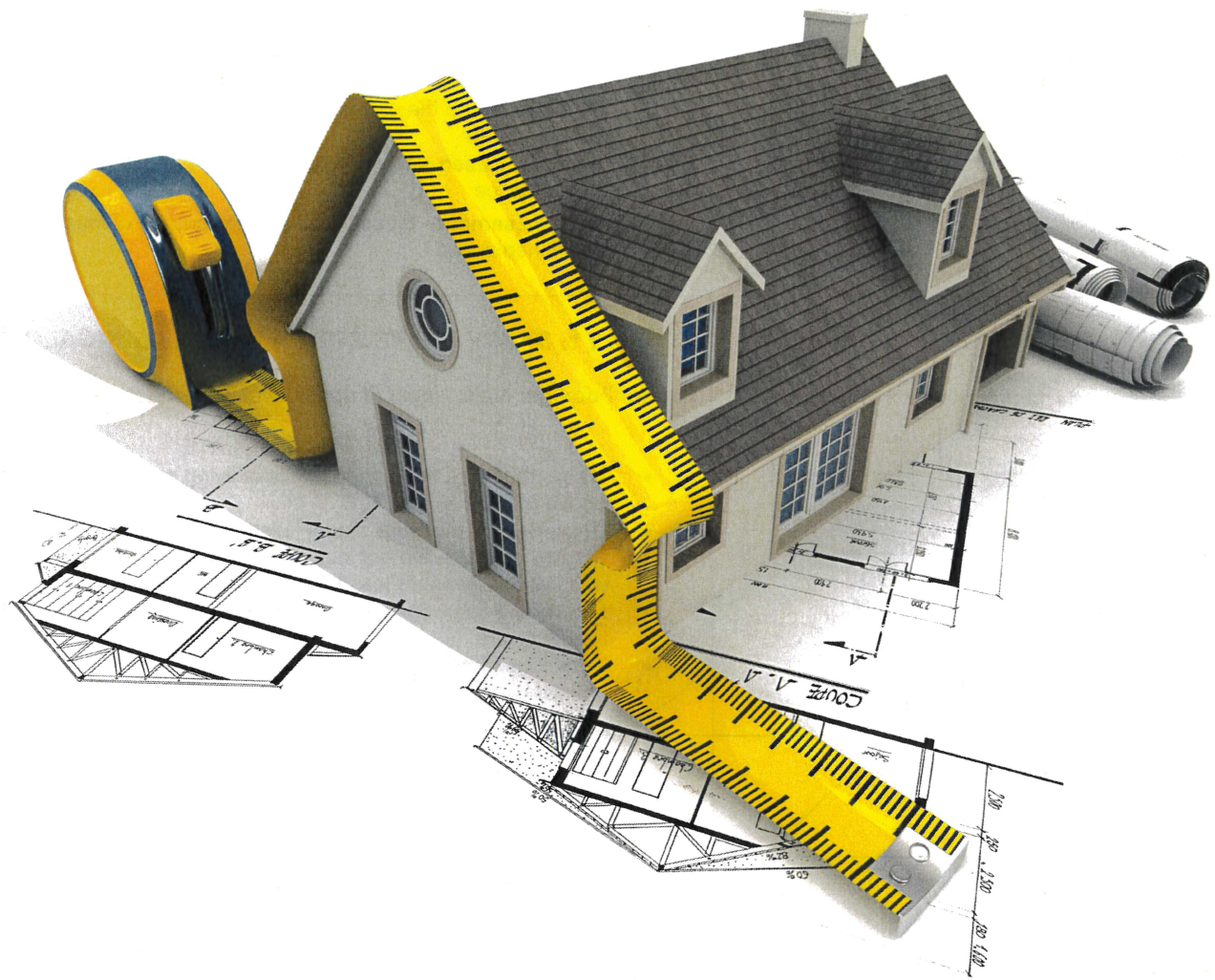
Without knowing the floor area, the home buyer does not get accurate or consistent information to use in comparing houses. Appraisers can't make the correct adjustments to comparable sales and lenders have less accurate estimates of market value on which to base their loans. Now there is no excuse. The ANSI standard is here.

# Valuation Matrix

This matrix explains the four most common valuation services used for real property transactions. The methods below are not necessarily mutually exclusive. Lenders, servicers, investors, and other professionals use one or more valuation depending on the type of transaction (purchase, refinance, short sale, due diligence, mediation, etc.) Often one valuation service is used to confirm or quality check the results of a primary valuation. For example, some lenders use AVMs to confirm results of an appraisal report in a purchase money transaction.

Valuation	Defined	Who	Use
Appraisal	As defined by USPAP, it is the act or process of developing an opinion of value.	Licensed or certified appraisers	Generally used to value collateral in a real estate transaction. Appraisals are required for most federally related transactions above \$250,000. Exceptions include transactions where no new money is involved. In practice, appraisals are used for the vast majority of purchase money transactions involving a loan.
Automated Valuation Model (AVM)	Service or software that provides property valuations often based on mathematical modeling	Lender, servicer appraisal staff, investor	For the most part, lenders or servicers determine use of appraisal or other methodology for transactions that are not purchase money. Often used by lenders or secondary markets to confirm valuations provided in appraisal report; but should not solely be used to value collateral in a real estate transaction where a mortgage is being originated.
Broker Price Opinion (BPO)	An estimate of the probable selling price of a property.	Real estate licensees	May be used as a valuation option for other transactions, such as refinances. Also used to verify appraisal reports. May be used, depending on state laws, for a variety of purposes including, loan modifications, short sales, and foreclosure/REO purchases, value trend analysis, mediation, and negotiation; but should not solely be used to value collateral in a real estate transaction where a mortgage is being originated.*
Comparative Market Analysis (CMA)	An estimate of the probable selling price of a property.	Real estate licensees	A CMA helps identify or project a house's listing or selling price. The CMA is not the only factor in determining listing price, rather it is a guide for the owner to see the active and sold competition, and is used to help the seller in choosing the listing price. May also be used, depending on state laws, for a variety of purposes including loan modifications, short sales, and foreclosure/REO purchases, value trend analysis, mediation, and negotiation; but should not solely be used to value collateral in a real estate transaction where a mortgage is being originated.*

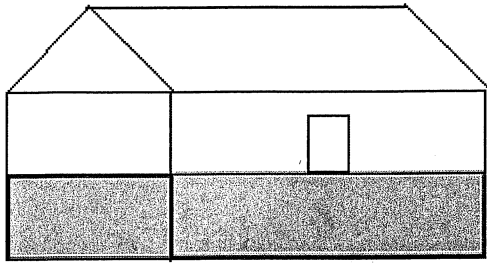




# GUIDE FOR MEASURING PROPERTY SQUARE FOOTAGE

Rev 01.13.2020

## GUIDE FOR MEASURING PROPERTY SQUARE FOOTAGE



**RANCH**

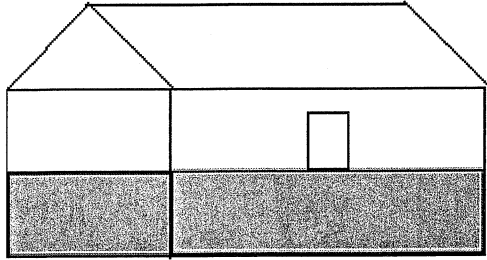
### RANCH

One-story floor plan. May have walk-out basement.

**Square Footage:** Main, Basement

#### HOW TO CALCULATE

- **Main** - measure the exterior walls of living space that is completely above ground
- **Finished Basement** - measure below ground level that is finished livable space
- **Total Basement** - measure all square footage of finished and unfinished space



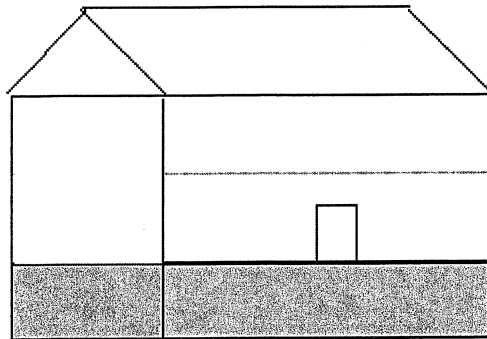
**1 ½ STORY / CAPE COD /  
A FRAME / BUNGALOW**

### 1 ½ STORY / CAPE COD / A FRAME / BUNGALOW

**Square Footage:** Main, Upper (if upper level is finished), Basement

#### HOW TO CALCULATE

- **Main** - measure the exterior walls of living space that is completely above ground
- **Upper level** - measure actual finished upper floor area, including the window dormers. Do not include floor area under ceilings or beyond walls which measure less than 5 feet in height.
- **Finished Basement** - measure below ground level that is finished livable space
- **Total Basement** - measure all square footage of finished and unfinished space



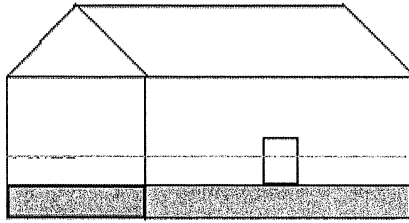
**TWO (MULTIPLE) STORY**

### TWO (OR MULTIPLE) STORY

**Square Footage:** Main, Upper, Additional (more than two floors), Basement

#### HOW TO CALCULATE

- **Main** - measure the exterior walls of living space that are completely above ground
- **Upper level** - the same sq ft as the main minus any unfinished or open areas to the main level. (ie: open foyers, 2 story great rooms) Add approved sq ft for cantilevered floor projections
- **Additional** - measure actual additional floor area, including the window dormers. Do not include floor area under ceilings or beyond walls which measure less than 5 feet in height.
- **Finished Basement** - measure below ground level that is finished livable space
- **Total Basement** - measure all square footage of finished and unfinished space



**BI-LEVEL / SPLIT FOYER**

**BI-LEVEL /SPLIT FOYER**

**BI-LEVEL**

Modified Ranch with lower level more out of the ground than in the ground. Sometimes distinguished by large windows at ground level.

**Square Footage:** Main and Lower

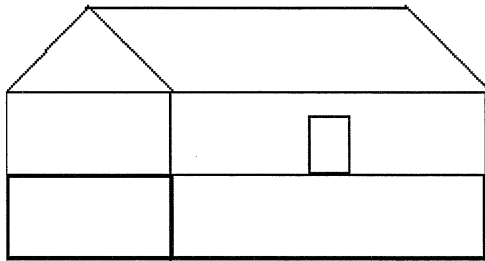
**SPLIT FOYER**

Foyer Entry, stairs leading up to main level and down to lower.

**Square Footage:** Main and Lower

**HOW TO CALCULATE**

- **Main** - measure the exterior walls of living space that is completely above ground
- **Lower** - measure only finished livable space



**RAISED RANCH**

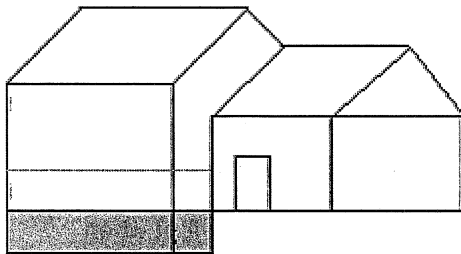
**RAISED RANCH**

"Ranch home on stilts." A full flight of stairs on the interior leads to the main living space. May sit atop a garage. The LL/basement square footage is primarily above grade.

**Square Footage:** Main, Lower Level (100% Above Grade)

**HOW TO CALCULATE**

- **Main** - living area located at the top of the stairs; measure the exterior walls of living space that is completely above ground.
- **Lower Level** - living area primarily above grade, minus garage or non-living area



**TRI-LEVEL / SIDE SPLIT / FRONT TO BACK SPLIT**

**TRI-LEVEL / SIDE SPLIT / FRONT TO BACK SPLIT**

**TRI-LEVEL**

Home with three levels. It is typically entered on the middle (main) level and has half flights of stairs to the highest and lowest levels. The living room, dining room, and kitchen are usually on the middle (main) level. Also see Side/Front to Back Split.

**Square Footage:** Lower, Main, Upper

**SIDE / FRONT TO BACK SPLIT**

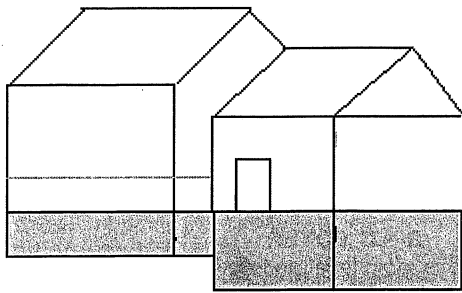
"A home hack-sawed in half" One half of house is on one-level, the other half is on two levels. Difference is where the split is visible from. Stairs lead up to upper level with bedrooms and bath and down to family room or basement.

**Square Footage:** Main, Upper and Lower (Addl. *side split only*)

**HOW TO CALCULATE**

- **Main** - Measure the exterior walls of finished living space that is completely above ground.
- **Lower level and Upper level** - measure finished, livable space.
- **Additional (side split)**- measure finished, livable space





**QUAD-LEVEL / 5-LEVEL**

### **QUAD-LEVEL**

Home with three levels and a basement. It is typically entered on the middle (main) level and has half flights of stairs to the highest and lowest levels. The living room, dining room, and kitchen are usually on the middle (main) level. Also see Side/Front to Back Split.

**Square Footage:** Lower, Main, Upper, Basement

### **HOW TO CALCULATE**

- **Main** - Measure the exterior walls of finished living space that is completely above ground.
- **Lower level and Upper level** - measure only finished livable space.
- **Finished Basement** - measure below ground level that is finished livable space.
- **Total Basement** - measure all square footage of finished and unfinished space

## **GUIDE FOR MEASURING PROPERTY SQUARE FOOTAGE**

### **DEFINITION OF FINISHED SQUARE FOOTAGE**

Area of the property that is suitable for year-round use, embodying walls, floors, and ceilings that are similar to the rest of the house (permanent floor coverings – i.e. – tile, carpet – finished ceiling, finished walls – including painted block). The area should also have an attached heat source or heat ducts.

### **CALCULATION OF SQUARE FOOTAGE**

#### **Single-Family Finished Square Footage**

For detached single-family houses, the finished square footage of each level should be calculated according to the style of the property as indicated in the **Guidelines for Property Measurement**. (Round **down** to the nearest foot when reporting total for each area). See individual diagrams.

#### **Attached Single-Family Finished Square Footage**

For attached single-family houses (zero lot line, condo, townhouse), the finished square footage of each level is the sum of the finished areas on each level measured at the floor level (excluding vaulted or loft areas with no floor), to the exterior finished surface of the outside wall or, if an interior unit, from the centerlines between common walls where appropriate (ie – dividing wall of a multiplex). (Round **down** to the nearest foot when reporting total for each area). See individual diagrams. When center lines of common walls or space between exterior surface and interior surface of outside wall is obstructed, compare property record card or builder floor plans to measurements.

#### **Above- and Below-Grade Finished Areas**

The above-grade finished square footage of a house is the sum of finished areas on levels that floors are entirely above grade. The below-grade finished square footage of a house is the sum of finished areas on levels that are wholly or partly (even an inch) below grade. (Round **down to the nearest foot when reporting total for each area**).

#### **Sloped Ceiling Height Requirements**

If a room's ceiling is sloped, no portion of the finished area that has a height of less than 5 feet (1.52 meters) may be included in finished square footage.

#### **Finished Areas Connected to the House**

Finished areas that are connected to the main body of the house by other finished areas such as hallways or stairways are included in the finished square footage of the floor that is at the same level. Finished areas that are not connected to the house in such a manner cannot be included in the finished square footage of any level (ie – finished rooms over a detached garage) Round **down** to the nearest foot when reporting total for each area.

### **Garages, Unfinished Areas, and Protrusions**

Garages and unfinished areas cannot be included in the calculation of finished square footage. Chimneys, windows, and other finished areas that protrude beyond the exterior finished surface of the outside walls and do not have a floor on the same level cannot be included in the calculation of square footage. Porches and patios should not be included in finished square footage calculations unless they are completely finished and heated.

### **Openings to the Floor Below**

Openings to the floor below cannot be included in the square footage calculation. However, the area of stair treads (leading up and down) and landings proceeding to the floor below is included in the finished area of the floor from which the stairs descend (the floor above the first step), not to exceed the area of the opening in the floor. (Round **down** to the nearest foot when reporting the total for each area).

### **Entryways and Foyers**

Subtract the upper level of any 2 story vaulted areas (i.e. entryways, foyers) Although in some cases an appraiser may consider a small vaulted foyer in the overall total square footage, it is recommended that this be subtracted to reduce liability.

### **Use of Existing Records for Representation of Square Footage**

The use of county records, previous MLS data, floor plan or other record for reporting square footage is discouraged. These records may include inaccurate information or may be interpreted incorrectly.

### **Measurement of Condo Square Footage**

Per Fannie Mae methodology, measure from inside wall to inside wall, including all interior walls, halls, closets and baths.

## **DEFINITIONS**

**Heated:** To qualify as **heated**, there must be a permanently attached or ducted heating source within the room

**Attic:** To qualify as finished attic rooms, the attic must have permanent access (i.e. staircase). Attics with "pull down" staircase do NOT qualify.

**Bedroom:** Private room capable of being closed off from other living space; if the main bath is only accessible by walking through another room, it is not counted as a bedroom. If the only entrance is from another bedroom, then only one of the rooms can be counted as a bedroom. A bedroom does not require a closet. Basement bedrooms must have either an egress window or a door to the outside. They may be counted in total bedroom count, but the level must be indicated as "B" or "L" next to Room dimensions, and Egress Window Y/N must be indicated in the MLS.

**Full bath:** Must have a bath and/or a shower (shower head or shower stall), a sink, a toilet.

**Half bath:** Must have 2 of the components listed in "Full bath", one of which must be the toilet. There is no specification as to the type of sink. Therefore, if a laundry sink is one of the two components of a half-bath, it may be counted.

## **LEVEL DEFINITIONS**

- **Basement (B):** the lowest below-grade area in One-Floor homes, Two-Story and Quad or 5-level homes
- **Lower Level (L):** the lowest level in Bi-Level and Split-Foyer homes, Tri-level/Side Split/Front-to Back Split Homes. Also present, above basement in Quad and 5-level homes.
- **Main Level (M):** Entry level to the property. All home styles have a main level.
- **Upper Level (U):** The level directly above Main level
- **Additional (A):** Areas above the upper level. (i.e. third level or finished attic).