

Course Schedule

SECTION 1. (Day 1 Morning)

Registration and Orientation	
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Part 1. Overview of the Income Capitalization Approach	
	<p>The Income Capitalization Approach and the Mixed-Use Property; Relationships of Income and Value Relationship of the Income Capitalization Approach to Value Influences and Appraisal Principles; Interests That Can Be Valued Using the Income Capitalization Approach; Sources of Income for Real Property Components of a Reconstructed Operating Income Statement for Appraisal Purposes; Direct Capitalization and Yield Capitalization Rates and Factors Used in Direct Capitalization; Elements of Comparison in the Income Capitalization Approach; Sources of Income and Expense Data; The Income Capitalization Approach and Compliance with USPAP</p> <p>BREAK</p>
Part 2. Development of a Reconstructed Operating Statement: Estimates of Income and Vacancy and Collection Loss	
	<p>Lease Analysis Vacancy and Collection Loss Estimate Effective Gross Income Estimates</p> <p>BREAK</p>
Part 3. Development of a Reconstructed Operating Statement: Analysis of Operating Expenses	
	<p>Operating Expense Analysis; Fixed Expenses Variable Expenses Replacement Allowance</p> <p>LUNCH</p>

SECTION 2. (Day 1 Afternoon)

Part 4. Development of a Reconstructed Operating Statement: Net Operating Income, Equity Dividend, and Ratios

Net Operating Income (I_o) Estimate; Reconstructed Operating Statement

Ratios Used in the Income Capitalization Approach

BREAK

Part 5. Application of Direct Capitalization

Gross Income Multiplier (GIM)

Capitalization (Income) Rates

BREAK

Capitalization (Income) Rates, cont.

Homework Assignment

SECTION 3. (Day 2 Morning)

Homework Review BREAK
Part 6. Case Study Applications
Description of Activities Assignment for Case Study: Mixed-Use Property BREAK Assignment for Case Study: Mixed-Use Property, cont. LUNCH

SECTION 4. (Day 2 Afternoon)

Case Study Presentations BREAK
Part 7. Reconciliation in the Income Capitalization Approach
The Reconciliation Process Tests of Reasonableness; Consistency Issues in Final Reconciliation BREAK Exam Preparation EXAM