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# Overview

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## Seminar Description

*The Discounted Cash Flow Model: Concepts, Issues, and Applications* focuses on the concepts and principles that are the basis of DCF valuation and modeling. This seminar was developed for participants from a wide range of appraisal backgrounds. While prior experience with income capitalization or with DCF modeling is helpful, it is not necessary. The content moves from basic concepts to more advanced topics. It does not cover market studies and estimating cash flows, nor does it cover Excel spreadsheet operations, which are addressed in other Appraisal Institute seminars and courses.

The Seminar handbook was designed with three objectives: 1) use as a handbook during the seminar; 2) use as a desk reference in the future; 3) presentation of sample problems and examples that are interactive. The class will spend about a third of the day working through the problems and discussion questions, which promote hands-on learning that is similar to real-world problems.

The seminar consists of six parts, which are divided into two sections. Parts 1, 2, and 3 make up Section 1, and Parts 4, 5, and 6 make up Section 2. In Section 1, participants will learn the basics of the DCF model. In Section 2, the class will put what they learned into practice by working through problems and discussing other considerations in DCF modeling.

Participation by class members is strongly encouraged, since much can be learned from the collective experiences of the participants.

## Learning Enhancements

The seminar has been designed with a variety of elements to enhance your learning experience.

- **Preview.** To give you a taste of what is to come, a Preview page begins each part and identifies learning objectives to consider as you move through the content.
- **Learning Objectives.** Each learning objective covers essential information you need to know to fully understand the concepts in the seminar. Look them over before each part begins so that you have a frame of reference as you move through the material. At the end of each part, reread the objectives. Are you able to perform what is stated? If not, this is the time to ask your instructor for help. Or, review the concepts that you do not understand.
- **Problems.** Problems provide you with additional hands-on practice as you absorb what you are learning.

- **Discussion Questions.** Discussion questions provide you with additional ideas to consider as you absorb what you are learning.
- **Examples.** A number of examples are scattered throughout the handbook to provide everyday illustrations of what you are learning.

## Classroom Guidelines

To make the learning environment a positive experience for everyone attending, please follow these guidelines when class is in session.

- 100% participation is required. No exceptions.
- Limit use of laptops to classroom projects.
- Communicate with business associates during break time instead of class time.
- Put away reading materials such as newspapers and books that are not used in class.
- Silence cell phones and other communication devices.
- Use recording devices only if prior permission has been granted.
- Refrain from ongoing conversations with those seated near you and other distracting behavior.

## General Information

- **Calculators.** A financial calculator is required. The accepted model used in the course is the HP-12C.
- **Breaks.** There will be one 15-minute break during the morning session and one 15-minute break during the afternoon session unless otherwise noted by the program sponsor. The lunch break is one hour.
- **Attendance sheets** will be distributed during class to verify your attendance during the morning and afternoon sessions. Attendance for the entire seminar is required.
- **Certificates of completion** will be distributed or mailed after completion of the program.