

Schedule

SECTION 1. (Morning)

Introduction

Registration
Introduction and Classroom Rules

Chapter 1. Why Do Clients Want Appraisals?

Preview: Chapter 1
Clients Who Need Appraisals
Reasons Client Need Appraisals
Why Do Borrowers Make Their Mortgage Loan Payments
Strategic Defaults
An Opinion of Value
Appraiser Qualifications
Appraiser as a Professional Shopper
Appraiser – Psychologist
Case in Point. Unusual Feature
Case in Point. Popular Features
Difficulty in Predicting Human Behavior
Case in Point. Reliability of Sales
Do Buyers Study Comparable Sales

Chapter 2. What Does “Value” Mean?

Preview: Chapter 2
Meaning of “Value”
Definition of Value
Value in Use (Use Value)
Case in Point. Which Type of Value
Market Rent
Case in Point. Most Likely Buyer
Cost
Case in Point. Obsolescence
Morning Break

SECTION 1, cont.

Chapter 3. Market Value Components

Preview: Chapter 3
Gross or Net Value
Gross Versus Net Value
Personal Property
Anticipated Sale Price
Date of Valuation

Chapter 4. Market Analysis

Preview: Chapter 4
Choosing the Subject Property's Market
Mortgage Loan Risk
Inventory Versus Sales Rate
Supply and Demand Analysis
Exhibit 4.1. Example of Search Criteria & Results
Are Adjustments for Oversupply Needed

Chapter 5. Market Consistency

Preview: Chapter 5
Choices and Market Consistency
Case in Point. Competitive Markets
Case in Point. Exhibit 5.2
Morning Break
Importance of Market Consistency to Appraisers
Exhibit 5.3. Grid for a Market with Many Options
Other Reasons for Inconsistency
Exhibit 5.5. Poor Selection of Sales
Other Reasons for Inconsistency, cont.
Problems with Secondary Market Gross and Net Adjustment
Guidelines

SECTION 1, cont.

Chapter 6. Beginning the Appraisal Assignment

Preview: Chapter 6
A Blank Slate for Appraisals
Exhibit 6.1. The Valuation Process
Exhibit 6.2. Page 1 of URAR
Data Collection and Property Description
Case in Point. Using Correct Data
Challenges in Looking for Comparable Properties
Exhibit 6.3. Page 2 of URAR
Challenges in Looking for Comparable Properties, cont.
Research Errors
Research Sources
Possible Errors
Search Tools in Your Database
Second or Third Search
Sales That Do Not Get Reported Correctly
Lunch Break

SECTION 2. (Afternoon)

Chapter 7. Approaches to Value and How They Relate to Each Other

Preview: Chapter 7
Relationship of the Three Approaches to Value
Case in Point. Highest and Best Use and Most Likely Buyer
Case in Point. Highest and Best Use and Market Segment
The Cost Approach
Depreciation Extracted from Sales
Exhibit 7.1. Depreciation Extracted from Sales, cont.
Case in Point. Supporting Adjustments
The Income Capitalization Approach
The Sales Comparison Approach
Case in Point. Conflict in Database
Case in Point. Expired Listing
Case in Point. Inclusion of Other Items

SECTION 2, cont.

Chapter 8. The Psychology of Sales Comparison Analysis

Preview: Chapter 8
Motivation of Buyers and Sellers
Case in Point. Importance of Studying the Same Market
Case in Point. The Back Story
Exhibit 8.1. Market Anomalies
Not All Sales Are Indications of Value
Case in Point. Most Likely Buyer
Sales Resulting from the Use of or Threat of Eminent Domain
Sales That Include Trade-In Properties
Case in Point. Trade-in House
Contract to Build a New Home
Sales with Planned Conversions to Other Uses
Sales in Which the Parties Are Related to or Involved with
Each Other
Case in Point. Sales in Which the Parties Are Related, cont.
Sales in Which the Buyers/Sellers Have Unusual Motivations
Case in Point. Sales in Which One of the Parties Is Not Well
Informed
Sales to Adjacent Owners
Case in Point. “Knock on the Door” Sales
Case in Point. Sales as Part of Bulk Transfers
The Appraisal of Other Goods and Services
Alternatives for Buyers and Sellers
Afternoon Break

SECTION 2, cont.

Chapter 9. The Logic Behind the Sales Comparison Approach

Preview: Chapter 9
Sales Comparison Approach and Spreadsheet Grid
Exhibit 9.1. Two- to Four-Unit Properties
Reasons Market Value Opinions and Sale Prices May Differ
Sales That Are Not Comparable Sales
A Historical Perspective on the Subject Property's Market Activity
Case in Point. Property Not Listed Correctly in the MLS
Case in Point. Change Made to Property After Listing
Contract Sale Price of the Subject Property
Case in Point. Sale Price Above Market
Exhibit 9.2. Example Grid A
Exhibit 9.3. Example Grid B
URAR Form. Prior Sales of the Subject Property and Comparable Sales
Exhibit 9.4. Extraction of Market Appreciation Rate from Prior Sales
What Does a Prior Sale or Listing Tell the Appraiser About the Subject Property
Exhibit 9.5. Market Appreciation Extracted from Other Sales
What Does Prior Sale or Listing Data Tell the Appraiser
Exhibit 9.6. Grid with Active Listings

Part 10. Sales Comparison Grid Analysis

Preview: Chapter 10
The Psychology Behind the Adjustment Grid
Case in Point. Selection of Comparable Sales
Buyer Search Priorities
Case in Point. Anticipating Behavior
What Do Buyers Consider
Consider This
Exhibit 10.1. Broker's MLS Input Sheer
Afternoon Break
Sales Comparison–Paired Data Analysis
Case in Point. Exhibit 10.2
Case in Point. Exhibit 10.3
Case in Point. Exhibit 10.4
Exhibit 10.5. Advanced Analysis
Exhibit 10.6. Advanced Analysis
Exhibit 10.7. Advanced Analysis
Exhibit 10.8. Advanced Analysis
Case in Point. Data Consistency

SECTION 2, cont.

Chapter 10. Sales Comparison Grid Analysis, cont.

Using Income Capitalization to Support Adjustments
Exhibit 10.10. *GRM* Support
Using the Cost Approach to Support Adjustments
Depreciated Cost Analysis Procedure
Exhibit 10.11. Cost Approach
Exhibit 10.12. Does Cost Equal Value
A \$20,000 Generator
Bracketing the Subject Property
Exhibit 10.13. Adjustments
Exhibit 10.14. Adjustments, cont.
Exhibit 10.15. Improvements
Exhibit 10.16. Adjustment Rate
Case in Point. Buyer Interviews

Chapter 11. Review of Sales Comparison Adjustment Procedures

Preview: Chapter 11
Exhibit 11.1. URAR Form Adjustment Grid
Specific Adjustments
Case in Point. Appraiser Certification
Case in Point. Finding Comparable Neighborhoods
Case in Point. Leasehold/Fee Simple
Specific Adjustments, cont.
Case in Point. Adjustment Needed
Case in Point. Specific Adjustments, cont.
Exhibit 11.2. Analysis Before GLA Adjustment
Exhibit 11.3. Analysis After GLA Adjustment
Exhibit 11.4. Basement and Finished Rooms Below Grade
Specific Adjustments, cont.
Review and Evaluation Forms