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SOLUTIONS
Overview

Course Description

Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets provides the theoretical and analytical framework for separating the tangible and intangible assets of real estate-centric businesses. Through discussion, lecture, readings, and case studies, participants will apply the theory of the firm and the concept of economic profit to the solution of problems and case studies related to ad valorem taxation, eminent domain, loan underwriting, and transaction price allocation.

An overview of business valuation procedures and clarification of real estate and business valuation terminology will be provided so participants become familiar with the terminology relevant to separating asset values. The class will review the legal foundations for property rights, be introduced to the methodologies, and become aware of the controversial and unresolved issues in this field. Finally, participants will learn about allocating real estate, personal property, and intangible asset values.

Note. Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets contains diverse opinions regarding appraisal theory and applications. Neither this course nor the Appraisal Institute advocates a particular theory or method. Rather, each appraiser must come to his or her own conclusion based on the property type, local market customs, and scope of work.

Learning Enhancements

The course was designed with a variety of elements to enhance your learning experience.

- **Preview.** To give you a taste of what is to come, you will find a Preview page that begins each Part. Included on the Preview page is a brief overview of the content and learning objectives to consider as you move through the content that will assist you in understanding the information you’re about to learn.

- **Learning Objectives.** Each learning objective covers essential information you need to know to fully understand the concepts in the course. Look them over before the 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 do what is stated? If not, this is the time to ask your instructor for help. Or, review the concepts that you do not understand.

- **Examples, Problems, and Discussion Questions.** Supplementing the lectures, we’ve included examples, problems, and discussion questions to help you visualize and practice what you are learning.

- **Review.** Each Part concludes with a review. Included in the review are the learning objectives and key terms and concepts that have been covered. Also,
we’ve provided recommended readings from textbooks that will reinforce what you have learned in class.

- **Digging Deeper.** Throughout the course, you will find content labeled Digging Deeper. Generally, the instructor will not cover this material in class. More advanced participants or those looking for an extra challenge can refer to the Digging Deeper sections while the rest of the class is finishing up work on individual or small group activities. Content identified as Digging Deeper will not appear on the exam. However, appraisers preparing for the Comprehensive Exam should be familiar with it, as well as all other material contained in the Course Handbook, whether or not it is presented in class.

- **Case Studies.** The case studies in the course contain real-world exercises that provide practice in applying the methodologies presented in the course.

**Classroom Guidelines**

To make the classroom environment a positive experience for everyone attending, we have some guidelines for your consideration:

- 100% attendance is required. No exceptions.
- Limit use of computers and wireless devices 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.
- Please do not record the lectures. Recordings are not permitted.
- Refrain from ongoing conversations with those seated near you and other distracting behavior.

**General Information**

- **Calculators.** A four-function calculator is required. If you have a financial calculator, it may also be used. Some devices such as the Apple iPhone have an HP-12C emulator application. However, because such devices may not be used during the final exam, you will need to bring an acceptable calculator to class.

  **Important Note.** Laptops, cellular phones, tablets, iPads, wearable technology (smart watch, Apple Watch, Google Glass, etc.), and other devices that can store data or connect to the Internet are NOT permitted during the exam. In addition, all watches, wallets, bags, and purses must be removed and stored out of reach prior to taking the exam.
- **Breaks.** There will be two 10-minute breaks during the morning session and two 10-minute breaks during the afternoon session unless noted otherwise by the course sponsor. The lunch break is one hour.

- **Attendance sheets** will be distributed during class to verify your attendance during the morning and afternoon sessions.

- **Certificates of completion** will be available for download after completion of the course, and attendance during the entire course is required.

**Required Text**


**Recommended Texts**


**Exam**

- 26 multiple choice questions

**USPAP References in This Course**