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Overview

Course Description

General Appraiser Site Valuation and Cost Approach is a practical, hands-on course that addresses the application of appraisal techniques learned in previous courses. This course concerns two basic aspects of real estate appraisal: land/site valuation and the development of the cost approach. Special attention is given to the appraisal of various types of sites and the various means of measuring accrued depreciation. Another major course component is class work that enhances skills in developing a current cost estimate using information provided by professional cost data sources.

An in-depth case study is presented in five exercises. It features the valuation of an industrial property and demonstrates the fundamentals of site valuation, estimating current construction cost of improvements, and various methods of recognizing and measuring accrued depreciation.

This course provides 30 hours of education (27 classroom hours plus a three-hour exam) and is divided into eight sections. Sections 1 and 2 focus on the cost approach introduction, site valuation perspectives, and market analysis and highest and best use in site valuation. These sections cover basic site valuation principles, the concept of market analysis, and the development of a highest and best use conclusion.

Sections 3 and 4 cover the characteristics of improvements along with estimating current construction cost. Exercises in the Summerville Case Study are introduced in these sections.

Section 5 covers depreciation concepts, the market extraction method of measuring depreciation, and the types of depreciation in the breakdown method. Section 6 offers exercises in depreciation, including estimating depreciation in the Summerville Case Study.

Section 7 is devoted to a review of the cost approach, market analysis and highest and best use, and site valuation procedures. This section also includes a comprehensive depreciation problem using the breakdown method.

This course is designed for individuals with introductory experience and an understanding of the fundamental concepts of appraising who wish to become licensed and/or certified appraisers. This course translates theory into practice through extensive and varied classroom activities. By applying concepts to real-world situations, participants can discover new ways to use their knowledge and analytical skills.

Learning Enhancements

This 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, learning objectives to consider as you move through the content, and tips 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 and Problems.** Supplementing the discussions, we've included examples and problems to help you visualize and practice what you are learning.
- **Fill-In-the-Blanks.** It is a fact that when you write something down, you are more apt to remember it. The course handbook has "missing" content in the outline that you will need to add in the space provided in your handbook as the instructor goes over the content.
- **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.
- **Practice Quizzes and Section Tests.** Short review quizzes are included at the end of most parts, and practice tests are included at the end of most sections. The questions and problems on the practice tests are similar to the types of questions and problems you might find on the exam.
- **Self-Study Problems Booklet.** This component includes a brief review of some items that participants should know for the exam. It provides practice problems for participants to test themselves as they prepare for the exam. Solutions are included at the back of the booklet. Instructors do not cover this component in class. It is supplementary material only.
- **Suggested Solutions.** This booklet includes suggested solutions to course problems, review quizzes, practice tests, and the fill-in-the-blanks that appear throughout the course outline.
- **Digging Deeper.** *Digging Deeper information goes beyond the scope of the course and is not intended to be covered in class. It is not tested on the course 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.

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 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.
- 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. **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 smart watches, 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 instructor. 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 emailed after completion of the course. Attendance during the entire course is required.

Recommended Texts

- *The Appraisal of Real Estate*, 14th ed.
- *The Dictionary of Real Estate Appraisal*, 6th ed.
- *Scope of Work*, 2nd ed., Stephanie Coleman, MAI, SRA, AI-GRS, AI-RRS