

# Course Schedule

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## **SECTION 1. (Day 1 Morning)**

<b>Sign in</b>
Sign in Overview
<b>Introduction</b>
Course Structure and Content Learning Procedures and Approach Introduction of Course Participants and Instructor Looking Ahead MORNING BREAK
<b>Part 1. What Is a Challenging Market?</b>
Characteristics That Define a Challenging Market Key Concepts and Terms 1.5 Exercise. Group Discussion MORNING BREAK 1.5 Exercise. Instructor-Led Review of Responses Choice of and Reliance on a Particular Valuation Approach— Mitigation of Challenges LUNCH

## **SECTION 2. (Day 1 Afternoon)**

### **Part 2. International Valuation Standards (IVS)**

Introduction  
Concepts, Definitions, and Terminology  
Application Standards  
Asset Standards

### **Part 3. Appraisal and Public Trust**

Review of Competence and Responsibilities  
IVS Scope of Work  
Code of Professional Ethics of the Appraisal Institute  
Departure from Specific Standards  
AFTERNOON BREAK

### **Part 4. Economic Factors That Affect Valuation**

Introduction  
Inflation  
Lending Rates  
Deposit Rates  
Supply of and Demand for Real Estate  
Valuation Issues  
AFTERNOON BREAK

### **Part 5. Laws, Rights, and Property Interests**

Introduction  
Terms and Definitions  
Ownership  
Analysis of Time Required to Obtain a Construction Permit  
The Total Construction Process: Time to Build a Warehouse

### **SECTION 3. (Day 2 Morning)**

#### **Part 6. Using Offer Prices in the Market Approach**

Introduction  
Factors Affecting Availability of Sale Price Data  
Sale and Offer Price Data: May Be Misleading  
Working with Offer Price Data  
6.1 Case Study. Working with Offer Price Data  
MORNING BREAK  
6.2 Case Study Valuation of Commercial Real Estate

#### **Part 7. Developing Capitalization Rates in Challenging Markets**

Introduction  
Problematic Issues with Derivation and Analysis of Capitalization Rates  
MORNING BREAK  
7.1 Case Study. Developing Overall Capitalization Rates with Limited Data  
7.2 Case Study. An Evaluation of Market Prices and Capitalization Rates for Commercial Real Estate  
LUNCH

### **SECTION 4. (Day 2 Afternoon)**

#### **Part 8. Deriving Discount Rates for Discounted Cash Flow Analysis**

Definitions  
Reversionary (Terminal) Capitalization Rates  
Calculating a Discount Rate Using the Build-Up Method  
AFTERNOON BREAK

#### **Part 9. Case Studies: Commercial and Residential Property Valuation in Challenging Markets**

Appraising Development Property  
Problems in Appraising Development Property in Challenging Markets  
9.1 Case Study  
9.2 Case Study. Build and Sell or Renovate and Sell: Residential Real Estate Valuation  
AFTERNOON BREAK  
9.2 Case Study, cont.  
9.3 Case Study. Legal, Regulatory, and Procedural Uncertainty: Valuation of Residential Property with Unauthorized Additions

## **SECTION 5. (Day 3 Morning)**

### **Part 10. Highest and Best Use of Land: Market Value and Investment Value**

#### 10.1 Case Study. Highest and Best Use of Land: Market Value and Investment Value

Overview

Valuation Assignment

Market Area Observations

Neighborhood and Site Description

10.1.1 Exercise. Highest and Best Use Options

Residential Property Market

10.1.3 Exercise

Land Market

10.1.5 Exercise

MORNING BREAK

Valuation Approaches

Development Option 1: Residential Apartments

10.1.9 Exercise

10.1.10 Exercise. Non-Market Influences

10.1.12 Exercise

Market Approach: Land

Development Option 2: Commercial Storage

10.1.15 Exercise. Identifying Factors That Affect Value

10.1.16 Exercise. Final Discussion and Critique

MORNING BREAK

Development Option 3: Liquid Petroleum Gas (LPG) Storage  
and Transshipment Facility

Overview

Investment Value of the Project

Market Value of Freehold Interest in Land

10.1.20 Exercise. Analyzing Investment Value

10.1.21 Exercise

10.1.22 Exercise

LUNCH

## **SECTION 6. (Day 3 Afternoon)**

### **Part 11. Market Valuation for Secured Lending**

Introduction  
Applicable Standards  
11.1 Case Study. Market Valuation of Trade Related Property  
Description of the Company  
AFTERNOON BREAK  
11.1.6 Exercise. Determining the Market Price of Services  
Interpretation of the Valuation Result

### **Part 12. Application of the Cost Approach**

Summary of Methodology and Definitions  
Application in Challenging Markets  
AFTERNOON BREAK  
Application in Challenging Markets, cont.  
12.1 Example. Depreciated Replacement Cost: Industrial Building

## **SECTION 7. (Day 4 Morning)**

### **Part 13. Valuation of Industrial Property**

Introduction  
Value Added Tax (VAT)  
13.1 Case Study. Valuing Large-Scale Industrial Buildings  
Depreciated Replacement (Reproduction) Cost Determined  
Using the Cost Approach  
MORNING BREAK  
Reconciliation of Results  
Value of Land

### **Part 14. Highest and Best Use of Land: Interim Value**

14.1 Case Study. The Appraisal Assignment and Problematic Situation  
“As Is” Market Value: Income Approach  
14.1.2 Exercise.  
MORNING BREAK  
Highest and Best Use of Land  
14.1.6 Exercise  
Interim Use or Highest and Best Use?  
LUNCH

## **SECTION 8. (Day 4 Afternoon)**

<b>Part 15. Course Content Review</b>	
	Course Review (Terms and Concepts) and Group Discussion Course Evaluations AFTERNOON BREAK
<b>Course Exam</b>	
	Multiple Choice Examination