# Seminar Schedule

## SECTION 1. (Morning)

<table>
<thead>
<tr>
<th>Registration</th>
<th>Sign-in</th>
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<tr>
<td>Overview and Introduction</td>
<td>Program Description, Learning Enhancements, Classroom Guidelines, and General Information</td>
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### Part 1. Property Value and the Discounted Cash Flow (DCF) Model

- What is DCF Analysis?
- What Factors Determine the Value of an Income Property?
- Why Are Cash Flows Discounted?
- Uses of DCF Models
- Discounting Cash Flows Produces an Opinion of Present Value
- Calculating Present Value “by Hand” Using the DCF Model

<table>
<thead>
<tr>
<th>Part 2. DCF Models: The Three Pillars and Their Uses</th>
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<tr>
<td>The Three Pillars of DCF Modeling</td>
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<td>The First DCF Pillar: Present Value (PV)</td>
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<td>MORNING BREAK</td>
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<td>The First DCF Pillar: Present Value (PV), cont.</td>
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<td>The Second DCF Pillar: Net Present Value (NPV)</td>
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<td>The Third DCF Pillar: The Internal Rate of Return (IRR)</td>
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<td>MORNING BREAK</td>
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### Part 3. Understanding the Discount Rate

- Estimating the Discount Rate (Y): Concepts
- Estimating the Discount Rate in Practice: Real Estate as an Asset Class
- Estimating the Discount Rate in Practice: Survey Data
- Estimating the Discount Rate in Practice: Using Capitalization Rates
- LUNCH BREAK
### SECTION 2.  (Afternoon)

#### Part 4.  Estimating Discount Rates Using Capitalization Rates

Property Values Are Determined by Expectations with Respect to the *How Much*, the *When*, and the *How Certain*

The Direct Capitalization Model Estimates Value as

$$ V = \frac{NOI}{R} $$

The Relationship between the Capitalization Rate and the Discount Rate

Going-In and Going-Out Capitalization Rates

#### Part 5.  Adding Depth: Some Other Considerations in DCF Modeling

Unlevered and Levered Discount Rate

AFTERNOON BREAK

Common Questions and Debates

How Important Is the Holding Period Assumption?

Assumptions about the Reinvestment of Cash Flows

AFTERNOON BREAK

The Discount Rate: Does One Size Fit All?

#### Part 6.  All Forecasts Are Uncertain: Thinking More about Risk

Partitioning the *IRR*

Risk Absorption Capacity

Forecasting Is Imprecise: Some Implications and Strategies

Review and Evaluation Forms