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Seminar Description

Marketability Studies: Advanced Considerations and Applications provides practical, hands-on training for experienced appraisers in the development and application of Level C marketability studies in valuation appraisals. Laptops will be used in class to solve specific problems relating to marketability studies as well as applications of market analysis to highest and best use and valuation.

After a brief introduction to and overview of the six-step process, the seminar focuses on a retail property marketability study using an interactive case study and inferred and fundamental demand analysis. A traditional approach to fundamental demand analysis is first presented. This is followed by an introduction to materials available from the Site To Do Business (STDB) that assist greatly in the production of a credible fundamental demand analysis for a retail property.

The seminar concludes with a second case study—a Level C marketability study for a residential apartment complex using inferred and fundamental methods. The class will forecast demand using the segmentation method, the tenure by household income method, and the ratio method.

Learning Enhancements

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

- **Preview.** To give you a taste of what is to come, each part begins with a preview page, which includes a brief overview of the content, learning objectives to consider as you move through the content, and learning tips that will assist you in understanding the information presented.
- **Learning Objectives.** Each learning objective covers essential information you need to fully understand the concepts in the seminar. 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, Case Studies, and Exercises.** Supplementing the lectures are examples, problems, and discussion questions to help you visualize and practice what you are learning.
- **Review.** Each part concludes with a review, which includes the learning objectives and key terms and concepts that have been covered.

- **Case Studies.** The case studies contain real-world exercises that provide practice in applying the methodologies presented in the seminar.
- **Solutions.** Answers to many of the problems and discussion questions are provided behind the solutions tab at the back of this handbook

Appraisal Institute Classroom Guidelines

To make the seminar 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.
- 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 seminar is the HP-12C.
- **Laptop computers.** It is recommended that all participants have a laptop computer with Microsoft Excel loaded and operating. You can download a free evaluation copy (good for 60 days). Go to www.microsoft.com, look under Office and then Office Trials for the download link. Instructors will demonstrate problems using Excel, but many of the problems can be solved with a calculator.
- **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 successful completion of the seminar, and attendance during the entire seminar is required.

Recommended Prerequisites

It is recommended that participants take one of the following:

- *General Appraiser Market Analysis and Highest & Best Use*
- *Marketability Studies: The Six-Step Process and Basic Applications*

Additionally, participants should have the ability to perform basic mathematical calculations, cell formatting navigation, and file management in Microsoft Excel.

Terminology Note

This seminar uses the term *marketability study* to denote an analysis of a specific property in a specific market. Note that other sources, including *The Dictionary of Real Estate Appraisal*, 6th ed., may use other terms such as *marketability analysis* for this type of analysis. Also, some practitioners use the term market analysis very broadly to reference both market-wide and property-specific analyses.

Appraisal terminology changes over time and new terms are often not adopted by all sources simultaneously.

Recommended Textbooks

- Fanning, Stephen F., MAI, *Market Analysis for Real Estate: Concepts and Applications in Valuation and Highest and Best Use*, 2nd ed. (Chicago: Appraisal Institute, 2014)

Participants might also benefit from having a copy of the following

- *The Appraisal of Real Estate*, 15th edition. (Chicago: Appraisal Institute, 2020)
- *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)