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Overview

Seminar Description

*Income Approach for Residential Appraisers* is a one-day, seven-hour seminar designed for participants who want to learn how to derive a value from an income stream with confidence and become familiar with the usefulness of the income capitalization approach in the post-recession residential market. For many professionals, it will be a review of techniques learned but not used. For others, it will be a comprehensive introduction to the income capitalization approach, specifically the premise of the approach, the difference between gross and net rent, the difference between capitalization rates and multipliers, and the application of income capitalization using a gross rent multiplier.

The premise of the approach is that income and value are related. If this premise is true for a specific property, the market will provide evidence of market rent and a conversion factor (rate or multiplier) that will provide an indication of value. For this seminar, a tenant pays rent, and the property owner or manager receives income. Tradition dictates that a multiplier converts potential gross or effective gross income (rent collected before paying operating expenses) to value. It also dictates that an overall capitalization rate converts net income or the income that remains after the operating expense is paid to value. Understanding these concepts may lead into new opportunities for appraising two-to-four income properties.

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, 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 learning 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 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, 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.

- **Digging Deeper.** Advanced information appears at the end of some parts and sections. It is included for self-study for participants that want more information about a topic.

- **Case Study.** The case studies in Parts 5 and 6 contain real-world exercises that provide practice in applying the methodologies presented in the seminar.

**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 financial calculator is required. The accepted model used in the course is the HP-12C.

- **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 seminar 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 e-mailed after completion of the seminar, and attendance during the entire seminar is required.