

Seminar Schedule

SECTION 1

Overview

Sign-in
Introduction, Welcome, Materials, Classroom Guidelines, and
General Information

Part 1. Definitions and Causes of Change

Definitions
Neighborhood
Market
Volatile market
Supply
Demand
Housing supply and demand in appraisal vernacular
Effective demand
Changes in Housing Supply
Possible Causes of a *Volatile* Real Estate Market
Morning Break

Part 2. Why Does an Appraiser Care about Market Analysis?

Should an Appraiser Know Whether There Is a Market for the
Subject?
Neighborhood Description
Support for the Highest and Best Use as Though Vacant
Support the Highest and Best Use as Improved.
Support for the Market Acceptability of the Design,
Floor Plans, Etc.
Support for the Comparability of the Sales Used in Sales Comparison
Morning Break
Should an Appraiser Know Whether There Is a Market ...?
Support for the Reconciliation Process
Support for Market Conditions Adjustments
Support for a Capitalization Rates (*GRM*)
Market Analysis Can Assist Clients in the Decision-Making
Process
Does USPAP Require Appraisers to Perform a Market Analysis
as Part of the Appraisal Process?

SECTION 1, cont.

Part 3. Market Analysis Methodologies, Research Techniques, and Flaws

Market Analysis Methodologies
The Most Probable Buyer
Tracking Mean or Median Sale Prices
 Using Price as a Parameter
 Tracking the Mean or Median Prices for the Entire Market
LUNCH
Tracking Median or Mean Sale Prices, cont.
 Active Listings vs. Sales in the Last Year
 Misleading Statistics
 Sale and Resale of the Same Property
 Building Permits
Application on Residential Forms
 Neighborhood Section
 Sales Comparison Section
 Market Analysis Tool
Afternoon Break

SECTION 2

Part 4. Preset Market Analysis Reports from MLS Systems

Market Analysis Reports from MLS Systems: Manually Created or Preset
Charts, Graphs, and Reports
 Average Days on Market (ADOM) for Sold Listings—manual
 Average Days on Market vs. Median List Price—preset
 Historic Count of Active Listings—manual
 Example: Historic Count of Active Listings—preset—5 years
 Historic Count of Sold Listings—preset—2 years
 Month-by-Month Sales Volume—manual
 Number of Pending Listings—preset
Afternoon Break
Charts, Graphs, and Reports, cont.
 Historic Sales Graphed in Price Ranges—preset—5 years
 Historic Sales Price Trend—manual
 List Price to Sale Price Ratios over Time—manual
 Sale Price to List Price—preset

SECTION 2, cont.

Part 5. Other Published Reports

National Association of REALTORS® Market Data
Historic Home Sales Data for various MSAs
Thematic Map at the NAR website
NAR month-to-month and year-to-year data for single-family
and condominium markets
Statewide Data from State Associations of REALTORS®
Statewide Report—New Listings
Pending Sales rates
Closed Sales month-by-month
Statewide report—Median sale price
Statewide report—Mean sale price for the entire state
The Federal Housing Finance Agency (FHFA)
House Price Index on the FHFA home page
Quarterly Report

APPENDIX A

Appendix A—Optional Case Study

APPENDIX B

Appendix B—Using MLS Data