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SOLUTIONS

Overview

Seminar Description

This fast-paced seminar is packed with thought-provoking material to which every appraiser and reviewer can relate. *Inconsistency: It's Hiding in Plain Sight in Your Appraisal* contains content that brings about lively discussions on topics that can have a major impact on the credibility of the appraiser and the value opinion. Inconsistency in data, analysis, and reporting can escape the notice of even seasoned appraisers, and significant inconsistencies can affect any part of the appraisal process. Thus, the scope of the discussion is broad rather than highly focused, and this seminar contains active learning assignments that appraisers might have in everyday circumstances.

The seminar focuses on inconsistencies that can cause issues in the following general categories:

- Definition of *market value*
- Highest and best use
- The three approaches
- Functional and external obsolescence
- Reconciliation

The seminar spans the appraisal process and was written for commercial appraisers and reviewers, including agricultural appraisers and reviewers. The combination of lecture, discussion questions, and problem solving includes a few agricultural problems. Participants should have working knowledge of commercial appraisal procedures.

Learning Enhancements

The seminar has been 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 material you're about to cover.
- **Learning Objectives.** Each learning objective covers information required for understanding 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 and Problems.** Supplementing the discussions, we've included examples and problems to provide everyday illustrations and help you visualize and practice what you are learning. Almost all of the problems come from actual appraisers' files. Therefore, they are practical and realistic.
- **Discussion Questions.** To foster further discussion, we have included discussion questions that may or may not have a definitive correct answer, but they will elicit opinions.
- **Review.** Each part concludes with a review page, which repeats the learning objectives and may include key terms and concepts that have been covered. Also, where applicable, we've provided recommended readings from textbooks, which will reinforce what you have learned in class.
- **Solutions.** A tabbed section of suggested solutions appears at the end of the seminar handbook. This section contains solutions to the discussion questions and problems. Working through the problems before looking at the suggested solutions helps you determine if you understand the concepts or if you need to ask additional questions.

USPAP References in this Seminar

All references in this seminar to the Uniform Standards of Professional Appraisal Practice (USPAP) are taken from the 2020–2021 edition (Washington, D.C.: The Appraisal Foundation).

Classroom Guidelines

To make the seminar a positive experience for everyone attending, please follow these guidelines when class is in session:

- 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.
- Please silence cell phones and other communication devices.
- Please do not record the lectures. Recordings are not permitted.
- Refrain from ongoing conversations with those seated near you and other distracting behavior.

Learning Objectives

After completing this seminar, participants will be better able to

- Recognize inconsistencies with the definition of *market value* and the need to stay consistent with the type of value opinion developed.
- Understand how the highest and best use decision drives the remainder of the appraisal process and how to stay utterly consistent with the highest and best use.
- Recognize the need for consistency within and between the three approaches to value.
- Determine what constitutes functional and external obsolescence and how to maintain consistency with both types of obsolescence in all three approaches.
- Complete a thorough, meaningful, and consistent reconciliation.

General Information

- **Calculator.** A financial calculator is required. The accepted model used in the seminar is the HP-12C. Other calculators may be used if participants know how to operate them. No class time will be used to cover the operation of other calculators.
- **Breaks.** There will be two 10-minute breaks for each half-day 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 each half-day session.
- **Certificates of completion** may be downloaded after completion of the seminar.
- **Attendance during the entire seminar** is required.

Recommended Textbooks

The Appraisal of Real Estate, 15th ed. Chicago: Appraisal Institute, 2020.

The Dictionary of Real Estate Appraisal, 7th ed. Chicago: Appraisal Institute, 2021.