

# Table of Contents

---

**Overview** ..... v

**Program Schedule** ..... xi

## **Introduction**

Introduction ..... 1  
Instructions ..... 3

## **Part 1. Webinars**

Webinar 1.....17  
Webinar 2.....18  
Tips for Writing a Fundamental Demand Analysis .....18  
Webinar and Pre-On-Site Session Assignment Tips .....22  
Downloads .....23

## **Part 2. Subject Property**

Site Description and Analysis.....27  
Site Improvements .....29  
Improvement Description and Analysis.....31  
Improvement Comments.....33  
Zoning and Land Use.....34  
Real Estate Taxes .....37

## **Part 3. Subject Property Photos**

Subject Property Photographs .....43

## **Part 4. Case Study**

Improvements Recap.....	55
Locational Attributes .....	56
Tenant Profile/Leased Space per the Owner .....	72
Additional Data for the Approaches to Value.....	89

## **Part 5. Comparable Verification Sheets**

Improved Sales Comparables.....	97
Site Sales Comparables .....	115
Rent Expense Comparables .....	135

## **Part 6. Maps and Exhibits**

Land Sales Map.....	149
Improved Sales Map .....	150
Rent Comparables Map .....	151
Subject Plats and Maps.....	152
Other Maps .....	157

## **ASSIGNED READING**

Excerpt from *Market Analysis for Real Estate: Concepts and Applications in Valuation and Highest and Best Use*, 2<sup>nd</sup> edition, by Stephen F. Fanning, MAI. Appraisal Institute, 2014. Chapter 13: “Existing Shopping Center.”

# Overview

---

## Program Description

*The General Demonstration Report—Capstone Program* is an additional option Candidates may choose to complete the demonstration of knowledge requirement for MAI Designated membership. Like the traditional demonstration appraisal report option, the same skills and knowledge base are required to produce a complete demonstration appraisal report. However, this program was designed to offer an option that accelerates the completion of the report. Instead of selecting and compiling data on a property, participants are provided with a subject property and data to analyze and then write the report in a limited time span of approximately two months. Participants are **required** to attend two webinars. The first webinar is typically scheduled three weeks after the release of materials. There will be a five-and-a-half-day on-site/synch session (attendance is optional), where facilitators will be on hand to answer questions and offer guidance. **On day seven at noon, the full report must be submitted for grading. No exceptions.**

The program is designed to be completed in approximately two months; therefore, participants must realize they will need to commit a considerable amount of that time on analysis and writing tasks **PRIOR** to the on-site/synch session. It is **highly recommended** that an optional writing assignment (fundamental market analysis) is completed before the second webinar. It is important that participants understand they will need to spend a minimum of 175 to 250 hours to successfully complete this program. And during the five-and-a-half day on-site/synch session, participants should expect to work on their reports after the seven-hour days spent on-site with facilitators. Ten to 12 hours a day that week will not be unusual.

## Important Notes

- Refunds for any fees will not be granted;
- Extensions to complete the program once the final on-site session concludes will not be granted;
- The optional pre-class assignment (due prior to the on-site/synch session) must be turned in on the date due;
- ***Program materials are considered confidential; if the program materials are shared with others, it is an ethics violation and the Candidate for Designation is subject to termination;***
- ***The final submitted demonstration report is considered confidential; if the final submitted demonstration report is shared with others, it is an ethics violation and the Candidate for Designation is subject to termination;***

- If it is found that the submitted demonstration report has been plagiarized, it is an ethics violation and the Candidate for Designation is subject to termination.

## **Objectives**

Successfully passing the demonstration appraisal report showcases your ability to deliver the most complete presentation of a property appraisal at a given time and includes the following skills:

- Analyze the necessary data properly; support conclusions; and write a highly detailed, thorough, and descriptive appraisal report setting forth the analysis and conclusions in a logical and convincing manner.
- Demonstrate research ability, critical thinking, and technical expertise.
- Demonstrate knowledge of valuation methods and analytical techniques.
- Demonstrate the ability to interpret real-world market data.
- Treat market trends, highest and best use, depreciation, and required adjustments consistently throughout the analysis and report.
- Communicate effectively.
- Demonstrate knowledge of valuation methods and analytical techniques.

## **On-Site/Synch Session Guidelines**

To make the on-site/synch session a positive experience for everyone attending, we have some guidelines for your consideration:

- The Capstone is supposed to represent your sole work. Please do not discuss details of the case with those in class, particularly methodology and results.
- Communicate with business associates during break time instead of class time.
- 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

- Every effort will be made to email pass/fail grades within 45 to 60 days of receipt of the demonstration report.

## Required Materials and Equipment

### Required Textbooks—Bring Daily to On-Site Session

- *General Demonstration Appraisal Report Writing* seminar handbook
- *Market Analysis for Real Estate*, 2<sup>nd</sup> edition
- *The Appraisal of Real Estate*, current edition
- *The Dictionary of Real Estate Appraisal*, 6<sup>th</sup> edition

### Required Equipment—Bring Daily to On-Site Session

- **Calculator.** A financial calculator is required. The accepted model used in the program is the HP-12C.
- **Laptop computer.** A laptop computer is required.
- **Spreadsheet program: Excel.** A spreadsheet program (such as Microsoft Excel) is required (participants can use other spreadsheet programs, but those programs won't be supported in class).
- **Word processing software: Word.** A word processing program (such as Microsoft Word) is required. The final demonstration report **must** be submitted as a **PDF**.
- **Google Earth and Google Maps software.** This free software program can be downloaded from [www.google.com](http://www.google.com). It allows you to view satellite imagery, maps, terrain, 3-D buildings, and more.

### Prerequisites

- *Advanced Market Analysis and Highest & Best Use course*
- *General Demonstration Appraisal Report Writing* seminar **OR**  
*General Demonstration Report Workshop* (within the past five years)

## Frequently Asked Questions

### Q. What can I expect during the on-site session?

- A.
  - Brief lecture/discussion
  - Individual meeting with facilitator
  - Individual work time

### Q. What is the recommended on-site schedule for successfully completing the General Demonstration Appraisal Report?

- A.
  - **Day 1.** Complete front end and fundamental demand analysis.
  - **Day 2.** Complete highest and best use and site valuation.
  - **Day 3.** Complete cost approach and begin improved sales comparison approach.
  - **Day 4.** Complete improved sales comparison approach and begin income approach.
  - **Day 5.** Complete income approach.
  - **Day 6.** Complete reconciliation and final review for common thread issues.
  - **Day 7.** Make final changes and submit the general demonstration appraisal report by noon local time. **Note.** For synchronous offerings, reports are due at noon Central Standard Time, **NOT** local time.

### Q. What should I bring to the on-site session?

- A.
  - Spreadsheet program
  - Word processing program
  - HP-12C
  - Your electronic signature (to use on your report)
  - *General Demonstration Appraisal Report Writing* seminar handbook
  - *The Appraisal of Real Estate*, current edition
  - *The Dictionary of Real Estate Appraisal*, 6<sup>th</sup> edition
  - *Market Analysis for Real Estate*, 2<sup>nd</sup> edition

**Q. Can I get the provided Word/Excel files in a different version/format?**

A. No.

**Q. What happens if I don't finish the general demonstration report on time?**

A. Extensions to complete the program once the final on-site session concludes will not be granted. Refunds for any fees will not be granted.

**Q. How do I submit the general demonstration report?**

A. A login and password will be provided so you can upload your file (PDF) via Box.com.

**Q. Do I have to use the provided appraisal report template?**

A. No. The template can serve as a basic appraisal report template or as a reference sample in creating the demonstration appraisal report. You can follow the format of this template and revise it as you see fit, or you can use your own template. There is no predefined format for the report or order of information. Use what best tells the appraisal story for you.

**Q. Is there one solution for the case study?**

A. No, there is no single solution, and there will be differences in value conclusions. Participants will not pair the same data for adjustments. This is acceptable and expected.

**Q. If I don't have time to complete much of the report prior to the on-site session, will I be able to complete the majority of the writing during the on-site session?**

A. No. You are in the best position to be successful if you complete sections of the report before arriving to the on-site session. Expect to be challenged for time throughout the process.

**Q. Do I have to work in the on-site location, or may I leave the room to work?**

A. You may leave the room to work.

**Q. Will a printer and Internet service be available at the on-site facility?**

A. Yes. Internet service will be available at the on-site facility. Printing facilities will be available somewhere on site.

**Q. Will I be able to plug in my laptop at the on-site facility?**

A. Yes, there will be ample power and connections for all participants.

**Q. If I finish my demonstration appraisal report early, may I turn the report in early?**

A. Yes. You may turn in your report as directed as soon as it is finished.

**Q. If my demonstration report is eligible for grading but does not receive a passing grade, will I be allowed to revise and resubmit it?**

A. Yes. Refer to the policies in *The Official Guide to the Demonstration of Knowledge Requirement: General*.

**Q. Can I receive state or Appraisal Institute continuing education credit for participating in this program?**

A. No. The program is not considered education, and CE credit will not be provided.