

Fin 4333: Real Estate Appraisal

Fall - 2019

Course Syllabus

Credit: Three Semester Hours

Course Description: FIN 4333 is designed to introduce the economic theories of value applied to real estate. This course incorporates real estate markets, social and economic determinants of value and the three recognized appraisal approaches: sales comparison, cost and income approaches to value. The course is directed toward preparing the student for appraisal licensing and/or designation. In addition, this course will prepare students for further study in real estate or allow them to use it as a foundation for entry into the real estate field.

Time/Location: See Course Schedule for On-Campus Dates – Room # NW210

Required Textbooks: Fundamentals of Real Estate Appraisal 13th Ed.
Authors: Ventolo, Jr. and Williams
ISBN - 9781475463804

Recommended Reading: The Appraisal of Real Estate, 14th Ed., Appraisal Institute,
ISBN - 978-1-935328-38-4

The Wall Street Journal, as business professionals or students, it is highly recommended that you become accustomed to reading a business periodical daily.

Course Procedures: This course is a hybrid course and will meet in person and/or online. The online portion of the course will have supplemental information available via Blackboard and will include audio and/or video lessons in addition to the textbook material. All assignments and exams will be made available via Blackboard.

Learning Outcomes: At the end of the course, students will be able to:

- Summarize the appraisal profession which includes the following: various types of appraisal jobs, appraisal assignments, appraisal licensing requirements and regulations.
- Define what constitutes a real estate appraisal according to the Uniform Standards of Professional Appraisal Practice.
- Identify the legal rights and descriptions associated with real property appraisal.
- Identify the macro real estate marketplace.
- Define the sixteen appraisal principles.
- Students will be able to perform appropriate Appraisal process steps.
- Students will be able to reconcile the three approaches to value.
- Students will be able to create an appraisal report that exhibits/explains their final value conclusion(s).

Outcome Measurement: In order to quantify the understanding of the learning outcomes, there will be three exams, multiple homework assignments and one narrative appraisal report project with the following weights:

<u>Grade Average (%):</u>		<u>Evaluation Percentages:</u>	
A	90 – 100	Exams (3)	50%
B	80 – 89	Assignments	10%
C	70 – 79	<u>Appraisal Project</u>	<u>40%</u>
D	60 – 69	Total	100%
F	Below 60		

Exams: will be multiple choice, true/false or short answer in nature. They will cover material from in-person, textbook lessons and other supplemental data sources provided to the students.

Assignments: will be a combination of short answer tasks and other activities that show the students understanding and exhibits their ability to showcase newly acquired skills.

Appraisal: Each student group (group TBD) will complete a narrative appraisal report of a commercial property they select. Resources will be made available to each student to allow for a comprehensive appraisal report to be completed

Extra Credit: Extracurricular participation in the Texas Tech Real Estate Organization (“REO”) will aid the learning process and enjoyment of the course. Extra credit (up to a maximum of 8 points) will be awarded in tiers as follows:

Tier 1 (maximum of 4 points)

- Become a dues-paying member of REO for the semester (2 points)
- Participate in a REO service project (2 points)
- Attend a REO meeting (1 point per meeting; maximum of 2 points)
- Submit an application to participate in the REO industry trip (2 points)

Tier 2 (maximum of 6 points)

- Complete 4 points of extra credit from Tier 1 and Tier 2
- Participate in the REO industry trip (2 points)
- Attend the entire ARGUS Enterprise training (2 points)

Tier 3 (maximum of 8 points)

- Complete 6 points of extra credit from Tier 1, Tier 2 and Tier 3
- Successfully complete the ARGUS Software Certification (2 points)
- Successfully complete REFM Certification Program In Excel For Real Estate (2 points)

It is the student's responsibility to report participation in extra credit opportunities to the instructor. The instructor reserves the right to require appropriate documentation to substantiate extra credit participation. Except as listed above, there are no other extra credit opportunities for this course.

Instructor: Lonnie W. Hendry, Jr., MSRE, RPA
Phone: (512) 826-1538 - Cell
Email: lonnie@ttu.edu

Office Hours: Available in person on the on-campus meeting days before or after class begins on those days. Meetings scheduled in online format are also available by request.

Laptop and Computer: A calculator is required for this course. A financial calculator is recommended. The preferred calculator is the Hewlett-Packard 10BII. I will be using the HP 10BII or 10B during class to solve problems. You can purchase the “app” calculator much cheaper than the actual calculator. We will discuss this in class on the first day of the semester.

Other Class Policies: **No Late Homework or Make-up Exams:** (excuses for such are defined by College regulations)

Syllabus Addendum:

Academic Misconduct: It is the aim of the faculty of Texas Tech University to foster a spirit of complete honesty and a high standard of integrity. Any attempt by students to present work as their own that they have not honestly performed is regarded by the faculty and administration as a serious offense and renders the offenders liable to serious consequences, possibly suspension.

Cheating: Dishonesty on exams, quizzes or on written assignments, illegal possession of exams, the use of unauthorized notes during an exam or quiz, obtaining information during an exam from the exam paper or otherwise from another student, assisting others to cheat, alteration of grade records, illegal entry to or unauthorized presence in an office are instances of cheating. If a student commits an act of cheating on any quiz, the student will receive a zero (0) for the entire quiz portion of the course and be subject to further consequences as provided by the Code of Student Conduct. If a student commits an act of cheating on any exam, the student will receive a zero (0) for that exam and be subject to further consequences as provided by the Code of Student Conduct.

Plagiarism: Offering the work of another as one's own, without proper acknowledgment, is plagiarism. Any student that fails to give credit for quotations or an essentially identical expression of material taken from books, encyclopedias, magazines, and other reference works, or from the themes, reports, or other writings of a fellow student, commits plagiarism. If a student commits an act of plagiarism on any quiz, the student will receive a zero (0) for the entire quiz portion of the course and be subject to further consequences as provided by the Code of Student Conduct. If a student commits an act of plagiarism on any exam, the student will receive a zero (0) for that exam and be subject to further consequences as provided by the Code of Student Conduct.

Civility in the Classroom: Professional behavior is expected at all times in the classroom.

Disability Accommodation: Any student who, because of a disability, may require special arrangements in order to meet the course requirements should contact the instructor as soon as possible to make any necessary arrangements. Students should present appropriate verification from Student Disability Services and/or AccessTech during the instructor's office hours. Instructors are not allowed to provide accommodations to a student until appropriate verification from has been provided. No requirement exists that accommodations be made prior to completion of this approved university procedure. For additional information, please contact Student Disability Services.

Religious Holy Day Observance: A student who intends to observe a religious holy day should make that intention known in writing to the instructor prior to the absence. A student who is absent from classes for the observance of a religious holy day shall be allowed to take an exam, quiz or complete an assignment scheduled for that day within a reasonable time after the absence.

TTU Resources for Discrimination, Harassment, and Sexual Violence: Texas Tech University is committed to providing and strengthening an educational, working, and living environment where students, faculty, staff, and visitors are free from gender and/or sex discrimination of any kind. Sexual assault, discrimination, harassment and other Title IX violations are not tolerated by the University. Report any incidents to the Office for Student Rights & Resolution, (806)-742-SAFE (7233) or file a report online at titleix.ttu.edu/students. Faculty and staff members at TTU are committed to connecting students to resources on campus. Some of these available resources are:

- TTU Student Counseling Center, 806-742-3674 www.depts.ttu.edu/scc/ (provides confidential support on campus), 24-hour Helpline, 806-742-5555 (assists students who are experiencing a mental health or interpersonal violence crisis)
- Voice of Hope Lubbock Rape Crisis Center, 806-763-7273, www.voiceofhopelubbock.org (24-hour hotline that provides support for survivors of sexual violence)
- The Risk, Intervention, Safety and Education (RISE) Office, 806-742-2110, www.depts.ttu.edu/rise/ (provides a range of resources and support options focused on prevention education and student wellness)
- Texas Tech Police Department, 806-742-3931, www.depts.ttu.edu/ttpd/ (to report criminal activity that occurs on or near Texas Tech campus)

Real Estate Appraisal: Tentative Course Schedule (Subject to change)
Fall – 2019
(Assignment and Exam Due Dates are listed in Blackboard)

Week	Date	Topic or Subject	Learning Resources <i>(partial list)</i>
1	8/29/2019	Unit 1 – Appraisal Profession Licensing and Certification Module 1 Assignment Due – 9-8-2019 @ 11:59 PM	Video/Weblinks/Textbook
2	9/5/2019	Unit 1 – Concepts of Real Property Legal Descriptions of Land The Real Estate Marketplace	On-Campus Class/Weblinks/Textbook
3	9/12/2019	Unit 1 – Basic Value Principles The Appraisal Process Module 6 Assignment Due – 9-15-2019 @ 11:59 PM Unit 1 Exam – Due 9-15-2019 (Test available 5:00-8:00 PM)	Video/Weblinks/Textbook
4	9/19/2019	Unit 2 – Site Valuation Cost Approach Formula Module 1 Assignment Due – 9-29-2019 @ 11:59 PM	Video/Weblinks/Textbook
5	9/26/2019	Unit 2 – Reproduction Cost vs. Replacement Cost 3rd-Party Cost Data Providers & Resources Module 3 Assignment Due – 10-6-2019 @ 11:59 PM	Video/Weblinks/Textbook
6	10/3/2019	Unit 2 – Depreciation– Physical, Functional, External Application of the Cost Approach	Video/Weblinks/Textbook
7	10/10/2019	Unit 3 – Gather, Record and Verify Necessary Data	On-Campus Class/Weblinks/Textbook
8	10/17/2019	Unit 3 – Analyze Data, Make Necessary Adjustments	Video/Weblinks/Textbook
9	10/24/2019	Unit 3 – Application of the Sales Comparison Approach Unit(s) 2-3 Exam – Due 11-3-2019 (Test available 5:00-8:00 PM)	Video/Weblinks/Textbook
10	10/31/2019	Unit 4 – Income Based Approaches to Value: Direct Capitalization and Yield Capitalization	On-Campus Class/Weblinks/Textbook
11	11/7/2019	Unit 4 – Income Proforma: PGR, V/CL, OI, EGI, OE, NOI, Cap Rate Module 2 – Assignment Due – 11-10-2019 @ 11:59 PM	Video/Weblinks/Textbook
12	11/14/2019	Unit 4 – Determining a Capitalization Rate	Video/Weblinks/Textbook
13	11/21/2019	Unit 4 – Application of the Income Approach	Video/Weblinks/Textbook
14	11/28/2019	Unit 5 – Reconciliation Process Unit(s) 4-5 Exam – Due 11-24-2019 (Test available 5:00-8:00 PM)	On-Campus Class/Weblinks/Textbook
15	12/5/2019	Unit 5 – Appraisal Reporting	Video/Weblinks/Textbook
16	12/7/2019	Unit 5 – Creating an Appraisal Report Appraisal Report Project – Due 12-7-2019 @ 11:59 PM	Video/Weblinks/Textbook