



AREC/REL 454 INTRODUCTION TO REAL ESTATE APPRAISAL PRACTICES

INSTRUCTOR INFORMATION

Instructor: Gregory M Perry
Email: greg.perry@colostate.edu
Phone: (970) 491-5540

Communication Policy: With rare exceptions, I respond to on-line class emails within 24 hours. Usually I will respond within a couple hours.

PREREQUISITES FOR COURSE

The course is taught assuming students have taken Principles of Microeconomics (AREC 202 or ECON 202) and possess basic spreadsheet skills.

COURSE DESCRIPTION & OBJECTIVES

The principles of real estate value impact everyone, regardless of whether or not professional appraisal is their desired career path. The desired learning outcomes for this class are as follows:

1. Understand the basic forces that influence real property values.
2. Know the primary terminology used by real estate appraisers in conducting and reporting their appraisal work.
3. Know the rules governing how appraisals are done and reported.
4. Apply the sales approach and understand it's relevance for residential, commercial, industrial, and agricultural property.
5. Apply the cost approach to value real estate and understand the strengths and weaknesses of this approach.
6. Apply the income approach to estimate the value of land and improvements for residential, commercial, industrial, and agricultural properties.
7. Understand the reconciliation process and its importance in arriving at a final estimate of value.

TEXTBOOK / COURSE READINGS

The text *The Student Handbook to The Appraisal of Real Estate* by Mark R. Rattermann, MAI, SRA. A copy can be purchased at the bookstore for \$93.25 (New) or \$70 (Used).

COURSE MATERIALS & EQUIPMENT

Students will need access to an up-to-date version of Excel to complete several of the projects.



PARTICIPATION/BEHAVIORAL EXPECTATIONS

Academic Integrity: This course will adhere to the Academic Integrity Policy {Section 1.6} of the Colorado State University General Catalog, the Student Conduct Code, and University Principles of Community. I take the issue of academic integrity very seriously in this course. You are expected to do your own work and to not access notes or the web during an exam, copy from someone else's exam or to provide exam answers to another student during an exam. I reserve the right to proctor all exams and will take actions to ensure that all students are following this policy.

"Plagiarism includes the copying of language, structure, ideas, or thoughts of another, and representing them as one's own without proper acknowledgment. Examples include a submission of purchased research papers as one's own work; paraphrasing and/or quoting material without properly documenting the source" (CSU Policies and Guiding Principles, 2017-2018).

My motivation for rigorously enforcing a no-plagiarism policy is twofold: First, plagiarism is a form of theft. Taking someone else's words or ideas without attribution is stealing someone else's work. Second, copying someone else's work does not fulfill the purpose of the assignment, which is for you to develop critical thinking and analysis skills. You demonstrate this by presenting your own, new, synthesis and analysis in your assignments. Simply copying or paraphrasing from source materials does not demonstrate this, however insightful the source(s) may be. Good writing generates new knowledge. This should be your goal in this class, in other courses at CSU and in your career after you leave here.

Online Etiquette: Please adhere to the standards for online class etiquette when taking this course.

1. *Remember the Human.* Although you are physically interacting with a video screen, your interactions are with me and (perhaps) other members of the class. Please treat them as you would want to be treated. Be aware that an important part of communication is non-verbal (body language, facial expressions, etc.). Because that is absent when communicating through email, it is often easy to misinterpret messages. If you aren't sure about what someone is saying, ask them to clarify rather than guess.
2. *Adhere to the same standards of behavior online that you would follow in real life.* There is a temptation when online to do things that are unethical or illegal, presuming that chances are slim that you will get caught. Don't cheat on quizzes or exams. Don't get others to do your projects. Don't use material that you didn't pay for unless the owner gives you permission.
3. *Respect other people's time and bandwidth.* Most online students are there because they need the flexibility of an online class to work around their other daily life commitments. For this reason deadlines are laid out ahead of time for the class, so you can arrange things to meet these obligations. And I know that sometimes life throws unexpected things your way, such that you aren't able to carry out your original plan. Let me know when these situations arise so we can work out an alternative arrangement. Note that all these points also apply on my end. I plan my schedule to



make sure online student needs are met in a timely fashion. However, life can sometimes foul up my plans and cause me to delay responding to an email, grading an assignment. Please exercise patience in these cases.

4. *Make yourself look good online.* Like it or not, people judge you online based in part by how coherent your writing is, if there are grammatical errors or misspelled words. If writing hasn't been a strength, use this as an opportunity to get better. Have others proofread your assignments before turning them in to make sure you have used good language and grammar. Opinion should be stated as such. If I state "I think the moon is made of green cheese" people may want to understand what brought me to that misguided notion. If I say "The moon is made of green cheese" others will write me off as woefully ignorant and will view everything else I have to say in that light.
5. *Share expert knowledge.* One of the great benefits of online learning is the chance to bring together folks from all walks of life. Some of the best learning I've seen occur online has been when students share their expertise or experiences with others. I try to share my knowledge and experiences through the videos, but I'm also willing to engage on tangential subjects that may arise out of the course content.
6. *Help keep flame wars under control.* When using discussion boards, there is a great opportunity to put controversial opinions out in a quasi-anonymous setting and see how others react. This is fine to a point, so long as (a) it doesn't involve hateful language that is targeted at particular groups, (b) it doesn't involve personal attacks on me or other class members, and (c) you're willing to receive the pushback from others that may come and do so in a respectful manner. And recognize that a lot of back and forth on a particular subject can quickly bore and even turn off others from the whole experience.
7. *Be forgiving of other people's mistakes.* We all are guilty of writing an ill-advised email, saying something hurtful to a friend or colleague, getting upset over a communication that was misinterpreted. I suggest you let the small stuff go and, if you feel correction is necessary, that it be done privately. Some are masters in the use of the English language, others really struggle to make themselves understood.

COURSE POLICIES (LATE ASSIGNMENTS, MAKE-UP EXAMS, ETC)

Projects are docked 10% for each day late, no credit is given if they are more than a week late. Contact the instructor if special circumstances arise that keep you from turning in an assignment on time. Exams are made available in a four day window. Any deviations from this must be discussed ahead of time and approved by the instructor.

GRADING POLICY

The course grade will be based on a 1000 point scale, broken down as follows:

- A. Exams (37%). Three exams worth 125 points each will be given through Canvas. Consistent with all exams in the appraisal profession, all questions are multiple choice. Each exam covers a section of the material and is cumulative only in the fact that you will be building on earlier knowledge throughout the class.



- B. Chapter Quizzes (26%) As students complete a chapter in the book, there will be a 5-10 question quiz to complete before moving on to the next chapter. These quizzes should be completed once you have read the chapter and what the video. The quizzes need to be done within the week. Although not proctored, the quizzes will prepare you for the exams and projects. Some questions from the chapter quizzes may also appear on the three exams, so a review of this quizzes is worthwhile before taking each exam.
- C. Class Assignments (37%). The class is designed to not only cover the theory of appraisal, but to give students a chance to apply the concepts to realistic property appraisal situations. The class contains five special projects, worth 370 points in total. Keep a copy of all work created for the course, including work submitted through Canvas course learning management system.

The class is graded using a +/- grading system, as follows:

93%+ = A	80%-82% = B-	67%-69%=D+
90%-92% = A-	77%-79%= C+	60%-66%=D
87%-89%=B+	73%-76%=C	0%-59%= F
83%-86%=B	70%-72%=C-	

The instructor may choose to curve the final grade upward.

PROCTORING

ProctorU is an online proctoring service that allows you to take your exam from the comfort of your home. ProctorU's Automated service is available 24/7 and does not require scheduling. You will need a ProctorU account and the ProctorU Chrome extension installed for the program to work properly. Creating a ProctorU account is very simple. All you will need to do is visit the LTI link within your LMS, and complete your profile. Additionally, you may install the extension by visiting the link below from your Chrome browser:

<https://chrome.google.com/webstore/detail/proctoru/goobgennebinldhonaaiqafidboenkl>

Please make sure you are testing alone in a quiet, well-lit area.

In order to use ProctorU you will need to have a broadband internet connection, a webcam (internal or external), a Windows or Mac Operating System, Chrome browser, Chrome extension, and a government issued photo ID.

ACADEMIC INTEGRITY & CSU HONOR PLEDGE



This course will adhere to the CSU Academic Integrity [Policies and Guiding Principles](#) as found in the General Catalog and the [Student Conduct Code](#).

Academic integrity lies at the core of our common goal: to create an intellectually honest and rigorous community. Because academic integrity, and the personal and social integrity of which academic integrity is an integral part, is so central to our mission as students, teachers, scholars, and citizens, I will ask that you affirm the CSU Honor Pledge as part of completing your work in this course. *While you will not be required to affirm the honor pledge, you will be asked to affirm the following statement at the start of your exams:*

"I have not given, received, or used any unauthorized assistance."

Further information about Academic Integrity is available at CSU's [Practicing Academic Integrity](#).

ACCOMMODATION OF NEEDS

If you are a student who will need accommodations in this class, please contact me to discuss your individual needs. Any accommodation must be discussed in a timely manner prior to implementation. A verifying memo from [Resources for Disabled Students](#) may be required before any accommodation is provided.

CANVAS INFORMATION & TECHNICAL SUPPORT

Canvas is the where course content, grades, and communication will reside for this course.

- Login: canvas.colostate.edu
- Support: info.canvas.colostate.edu
- For Canvas, Passwords, or any other computer-related technical support, contact the [Central IT Technical Support Help Desk](#).
 - (970) 491-7276
 - helpdesk.colostate.edu
 - help@colostate.edu

The [Technical Requirements](#) page identifies the browsers, operating systems, and plugins that work best with Canvas. If you are new to Canvas quickly review the [Canvas Student Orientation](#) materials.



Course Schedule

Date	Topic	Projects/Exams
Week 1 (Jan 20-26)	Chapter 1 – Introduction to Appraisal Chapter 3 – The Nature of Value	
Week 2 (Jan 27-Feb 2)	Chapter 2 – Land, Real Estate, and Ownership of Real Property Chapter 4 – The Valuation Process Overview	
Week 3 (Feb 3-9)	Chapter 10 – Economic Trends in Real Estate and Capital Markets Chapter 11 – Neighborhoods, Districts, and Market Areas	
Week 4 (Feb 10-16)	Chapter 14 – Statistical Analysis in Appraisal Chapter 15 – Market Analysis	Project 1 – Statistical Analysis of Townhouses, Due Feb 20 th
Week 5 (Feb 17-23)	Chapter 6 – Identifying Type of Value Chapter 7 – Rights to be Appraised Chapter 16 – Highest and Best Use	Exam #1, due by Feb 22 nd . Covers Chapters 1-4, 6-7, 10-11, 14-15
Week 6 (Feb 24-Mar 2)	Chapters 12-13 – Site and Building Description	
Week 7 (Mar 3-9)	Chapters 18 – The Sales Comparison Approach Chapter 19 – Comparative Analysis	Project 2 – Description of Selected Property, Due March 9 th
Week 8 (Mar 10-16)	Chapter 20 – Applications of the Sales Comparison Approach	
Spring Break (Mar 17-23)		
Week 9 (Mar 24-30)	Chapter 17 – Land Valuation	Project 3 – Sales Comparison Approach, Due March 25 th
Week 10 (Mar 31-Apr 6)	Chapter 27 – The Cost Approach Chapter 28 – Building Cost Estimates	
Week 11 (April 7-13)	Chapter 29 – Depreciation Estimates	Exam #2 Due April 11 th . Covers Chapters 12-13,16-20,27-28 Project 4 – Cost Comparison Approach, Due April 13 th
Week 12 (April 14-20)	Chapter 21 – The Income Capitalization Approach Chapter 22 – Income and Expense Analysis	
Week 13 (April 21-27)	Chapter 23 – Direct Capitalization Chapter 24 – Yield Capitalization	



Week 14 (Apr 28-May 4)	Chapter 25 – Discounted Cash Flow Analysis and Investment Analysis Chapter 26 – Applications of the Income Capitalization Approach	Project 5 – Income Comparison Approach, Due May 3 rd)
Week 15 (May 5-11)	Chapter 30 – Reconciliation Chapter 31 – The Appraisal Report	
Week 16		Exam #3, due by May 16 th