Mt. San Jacinto College
Integrated Course Outline of Record

Form B

Submitted by: David Lynch **Date:** 12/17/2020

Department	Subject	Course Number	Title
Real Estate	Real Estate RE	544	Fundamentals of Real Estate Appraisal (formerly RE-144 Basic Appraisal Principles and Procedures)

Units/Hours

Each lecture unit requires 1 hour per week of class time, and 2 hours per week of study outside of class.

Each laboratory unit requires 3 hours per week of class time.

Each activity unit requires 2 hours per week of class time and 1 hour per week of study outside of class.

Lecture Units
3.00

Total Units
3.00

Lecture Contact Hours
48.00 - 54.00

Total Contact Hours
48.00 - 54.00

Lecture Homework Hours
96.00 - 108.00

Stand Alone:

Program Applicable

AA/AS Degree General Ed Breadth Area(s):

-none-

General Education Justification:

Maximum Enrollment: 40

Maximum Enrollment Justification: Justification:

Grading Method: Letter Grade or P/NP

TOP code: 0511.00*

Can be Taken 1 **time(s) for credit** (max 4)

- Visual or Performing Arts course that is required to meet major requirements for UC/CSU
- Intercollegiate athletics course
- Academic/vocational competition course

Catalog Description:

(Please do not refer to transferability or degree, certificate, or employment concentration applicability. Please only describe the course).
(**75 words** or less in gray box below).

This course meets the requirements of the current Appraisal Qualifications Board of the Appraisal Foundation. Emphasis is on residential real estate and covers basic real estate appraisal principles and procedures. It meets the license requirements for all levels of appraisal license and is required for the trainee, residential, certified residential, and certified general licenses. This course qualifies with the California Department of Real Estate as a statutory/pre-license course for the salesperson and broker education requirements.

Schedule Description:

(Please do not refer to transferability or degree, certificate, or employment concentration applicability. Please only describe the course).
(**25 words** or less in gray box below).

This course meets requirements of the Appraisal Qualifications Board of Appraisal Foundation. Emphasizes residential real estate and covers basic appraisal principles and procedures.

Need for the course:

This course would qualify for an elective for the RE Certificate. This course is required by the State of California Office of Real Estate Appraisers for all levels of appraisal license and is required for the trainee, residential, certified residential, and certified general licenses. This course also qualifies for continuing education for appraisers and a pre-license course for the salesperson and broker education requirements.

Prerequisite(s):

Prerequisites go through a separate approval process. See Forms E1-E6 for details.
(For further clarification, contact the Prerequisite Subcommittee)

-none-

Corequisite(s):

Corequisites go through a separate approval process. See Forms E1-E6 for details.

-none-

Recommend Preparation:

Recommended Preparation goes through a separate approval process. See Forms E1-E6 for details.

-none-

Other Enrollment Criteria:

-none-

Learning Objectives:

(please number each objective and express in behavioral terms)
Upon the completion of the course the student will be able to do the following:

1. Describe the appraisal process.
2. Analyze real property concepts, characteristics and ownership forms.

3. Differentiate raw land and finished site considerations.
4. Distinguish between the six common classic economic principles in determining real estate value.
5. Compare and contrast between approaches to property valuation based on the sales comparison approach, the cost approach and the income approach in determining value for residential properties.
6. Compare and contrast how real estate values are impacted as a result of governmental, economic, social, and environmental/geographical/physical influences.
7. Examine the role that ethics plays in appraisal theory and practice.
8. Consider how the market comparison approach is a response to the influence of supply and demand.
9. Validate how weighting (through the reconciliation process) the results of the three appraisal approaches leads to the final value opinion.
10. Examine the bundle of rights concept as applied to appraising special interests.

Course Content:

(please number the outline of main topics and subtopics)

Unit 1 The Appraisal Profession

- The Appraiser's Work
- Licensing and Certification
- Federal Regulation
- Professional Groups
- Modern Appraisal Office

Unit 2 Appraisal Math and Statistics

- Calculators
- Percentages
- Interest
- Area and Volume
- Statistics

Unit 3 Real Estate and Its Appraisal

- Legal Descriptions of Land
- Legal Rights and Interests
- Forms of Property Ownership

Unit 4 Real Estate Transactions

- The Offer to Purchase
- Record of Retention
- Transfer of Title
- Lease Agreements

Unit 5 Real Estate Marketplace

- The Market for Real Estate
- Basic Value Principles

Unit 6 The Appraisal Process

- Steps in the Process
- Valuation Approaches
- Relationship of Approaches

Unit 7 Building Construction and the Environment

- Building Planning and Design
- Regulation of Residential Construction
- Plans and Specification
- House Styles and Types
- House Plans
- Construction Details
- Foundations
- Exterior Structural Walls and Framing
- Roof Framing

Roof Coverings
Windows and Doors
Plumbing
Heating and Air Conditioning
Electrical Systems

Unit 8 Data Collection
Scope of Work
Gather, Record, Verify and Analyze Data
Data Bank
Data Forms
Data for the Sales Comparable Approach

Unit 9 Site Valuation
Separate Site Valuation
Environmental Concerns
Methods of Site Valuation

Unit 10 the Cost Approach – Part 1 Reproduction/Replacement Cost
Cost Approach Formulas
Reproduction vs Replacement Cost
Finding Reproduction/Replacement Cost

Unit 11 The Cost Approach – Part 2 Depreciation
Accrued Depreciation

Unit 12 The Sale Comparison Approach
Gather, Record, Verify and Analyze Data
Form Opinion of Value by the Three Approaches
Form Opinion of Value by Sales Comparison Approach
Application of Sales Comparison Approach

Unit 13 The Income Capitalization Approach
Income Based Approaches to Appraisal
Potential Gross Income
Effective Gross Income
Operating Income Statement

Unit 14 Direct and Yield Capitalization
Direct Capitalization
Capitalization Rate
Capitalization Techniques
Yield Capitalization
Value of One Dollar
Annuity Method

Unit 15 Reconciliation and the Appraisal Report Definition of Reconciliation
Types of Appraisal Reports
Styles of Written Reports
Sample Appraisal Report

Unit 16 Appraising Partial Interests
Types of Partial Interests
Appraising Lease Interests
Leased Fee and Leasehold Valuations

Methods of Instruction:

Methods of instruction may include, but are not limited to the following:

- **Method:** Lecture
  Integration: Lecture will be used to evaluate and define basic real estate appraisal principles and procedures.

- **Method:** Discussion
  Integration: Class discussion including recent topical news articles will be used to identify and describe residential real estate and basic real estate appraisal principles and procedures.
- **Method:** Visiting Lecturers
  Integration: Guest speakers may be used to explain techniques used to appraise specialty properties.
- **Method:** Individual Projects
  Integration: Students will be asked to apply the information they have learned by completing the subject and comparable information page of the standard appraisal form.

Methods of Evaluation:

A student's grade shall be determined by the instructor using multiple measures of performance related to the course objectives. Methods of evaluation may include but are not limited to the following:

- **Method:** Exams/Tests
  Integration: In person or online tests and quizzes will be given to evaluate student mastery of course information illustrating basic real estate residential appraisal principles and procedures.
- **Method:** Class Participation
  Integration: Students will be evaluated on their successful participation in topical discussions, problem solving activities, and simulated exercises involving understanding of basic real estate appraisal principles and procedures.
- **Method:** Homework
  Integration: Homework assignments such as reports and projects will be used to determine student ability to demonstrate the application of the sales comparison approach, the cost approach, and the income approach to correlating value for residential properties.

Examples of Assignments:

Students will be expected to understand and critique college level texts or the equivalent. Reading and writing, as well as out of class assignments are required. These assignments may include but are not limited to the following:

1. Students will be supplied information about a subject property to be appraised along with comparable sales data. The student will use this data and complete an adjustment grid using Page 2 of the Standard Uniform Residential Appraisal Report (blank form will be supplied) and concluding a value for the property.
2. Students must complete all end of chapter questions and discuss in class the correctness of their answer (or why other choices are incorrect).
3. In written format, students may be required to list and explain the six approaches to value.

Textbooks:

- William L. Ventolo, Jr. (2018). *Fundamentals of Real Estate Appraisal* Dearborn Real Estate Education 13th editon. ISBN: 978-1-4754-6380-4

Other Resources:

- Dictonary of Real Estate Appraisal published by Appraisal Insitute (U.S.).

Minimum Qualification

- Real Estate