



**Grande Prairie Regional College  
Department of Business Administration and Commerce  
BA 2310: 3 (3-0-1) Foundations of Real Estate Appraisal  
Course Outline**

**Winter 2014**

|                    |                |                    |                        |
|--------------------|----------------|--------------------|------------------------|
| <b>INSTRUCTOR:</b> | Jeff Nutting   | <b>OFFICE HRS:</b> | TBA and By Appointment |
| <b>OFFICE:</b>     | C423           | <b>E-MAIL:</b>     | jnutting@gprc.ab.ca    |
| <b>PHONE:</b>      | (780) 539-2815 | <b>WEBSITE:</b>    | not applicable         |

**TEXT:** Course material supplied by the Real Estate Division of the University of British Columbia, The Appraisal of Real Estate Third Canadian Edition

**PREREQUISITE:** Financial Mathematics BA 1050 or consent of the instructor

**COURSE DESCRIPTION:** This course examines the theory and fundamentals underlying the valuation of real estate. Land rights, property utility, physical improvements, restrictive uses, and other factors that make up value are discussed. Approaches of appraisal are explored with a description of the three most common techniques of establishing value: the market approach, the cost approach and the income approach. Also the basic principles underlying real estate valuation such as the principle of highest and best use, the principle of substitution, the principle of contribution and the economic forces underlying real estate values are discussed.

**Contact Hours** 3 credits/60 hours

**COURSE** This course gives a basic introduction to real estate appraisal. It introduces students to ways to value residential properties and to analyze their salient features.

**OBJECTIVE:**

**Delivery Mode:** Lecture and in field practicum's.

**TRANSFERABILITY**

The course transfers to the Appraisal Institute of Canada's CRA program, UBC's BUSI 330 course, U of Alberta, Athabasca's U Econ 3XX and Thompson Rivers University.

Block transfer post-diploma agreements have been made with the following institutions: Athabasca University (including GPRC on-campus AU 2+1 and 2+2 Bachelor of Management degree), University of Lethbridge, Lakeland College, Okanagan College, Thompson Rivers' University and Royal Roads University. Students intending to transfer to a post-secondary institution to take advantage of a transfer opportunity are advised to check with the appropriate college/institute for the latest transfer information as acceptance

|                 |                       |                |
|-----------------|-----------------------|----------------|
| <b>GRADING:</b> | Appraisal Assignments | 30% ( 3 @ 10%) |
|                 | Open Book Assignment  | 10%            |
|                 | Midterm               | 25%            |
|                 | Final Exam            | 35%            |

Assignments will consist of three appraisals on residential properties

Grades are first recorded as percentages. After the last exam, the weighted average of the percentages will be converted to the college four-point system according to the following table:

| Letter Grade | Grade Point Value | Percentage Range | Description         |
|--------------|-------------------|------------------|---------------------|
| A+           | 4.0               | 90-100           | Outstanding         |
| A            | 4.0               | 85-89            | <i>Excellent</i>    |
| A-           | 3.7               | 80-84            |                     |
| B+           | 3.3               | 76-79            |                     |
| B            | 3.0               | 73-75            | <i>Good</i>         |
| B-           | 2.7               | 70-72            |                     |
| C+           | 2.3               | 67-69            |                     |
| C            | 2.0               | 64-66            | <i>Satisfactory</i> |
| C-           | 1.7               | 60-63            |                     |
| D+           | 1.3               | 55-59            |                     |
| D            | 1.0               | 50-54            | <i>Minimal Pass</i> |
| F            | 0.0               | Below 50         | Fail                |

**Note:** Students must achieve the full minimum percentage amount to be awarded the corresponding grade point value.

## COURSE CONTENT:

|            |   |          |
|------------|---|----------|
| Lesson 1   | Introduction to Appraisal   | 1 to 3   |
| Lesson 2   | Principles of Appraisal   | 4 to 7   |
| Lesson 3   | Property Analysis   | 8 to 11  |
| Lesson 4/5 | Market Analysis: Highest and Best Use<br>Analysis: Land Valuation | 12, 16   |
| Lesson 6/7 | Cost Method   | 17 to 19 |
| Lesson 8/9 | Direct Comparison Method  | 13 to 15 |
| Lesson 10  | Income Method   | 20 to 24 |
| Lesson 11  | Reconciliation, the Appraisal Report, statistics                  | 25 to 30 |

Exams will be scheduled in location and date by GPRC student services.

The instructor reserves the right to use electronic plagiarism detection services.

### *Academic Regulations*

#### *Debarred From Exams*

*"You may be refused permission to write a final examination in a course on the advice of the instructor concerned. This usually happens when absences are excessive or if significant parts of required assignments or lab work are not completed." The definition of excessive absences in this class will be more than 3 classes missed without a doctors or other note. A sign in sheet will be supplied at some classes.*