

1990-91

APPRAISAL INSTITUTE OF CANADA
GRANDE PRAIRIE REGIONAL COLLEGE
REAL ESTATE APPRAISAL BA231

COURSE OUTLINE

1990 - 91

TEXT: Introduction to Real Estate Appraising, Fifth Edition
Appraisal 101 Text, Appraisal Institute of Canada, 1989
Inspecting a House, Alan Carson and Robert Dunlop, General
Publishing, 1982, Toronto

PREREQUISITE: Senior Matriculation or equivalent University Entrance.

COURSE DESCRIPTION: The theory and fundamentals underlying the valuation of Land rights, property utility, physical improvements, restrictive uses and other factors that make up value will be discussed. Approaches of appraisal will be 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, principle of substitution, principle of contribution and the economic forces underlying real estate values will be discussed.

COURSE OBJECTIVE: The course is designed to provide students with an introduction to the Real Estate appraisal process.

GRADING: Final Exam FOR INSTITUTE CREDIT 100%

Students writing the National Examination must obtain a minimum grade of 70% to obtain Appraisal Institute Credit. Exams are set and graded by the Institute.

COURSE
CONTENT:

<u>3 Hour Lesson</u>	<u>Chapter and Subject</u>	<u>Page No.</u>
1	Chapter 1 - The Appraisal Profession	1 - 1
2	Chapter 2 - The Purpose and Function of Estate Appraisal and the Nature of Property and Value	2 - 1
3	Chapter 3 - Basic Principles of Real Property Value	3 - 1
4	Chapter 4 - The Appraisal Process	4 - 1
5	Chapter 5 - General Area and Neighbourhood Trends	5 - 1
	Chapter 6 - Site Analysis	6 - 1
6	Chapter 7 - Site Valuation	7 - 1
7,8,9,&10	Chapter 8 - Residential Building Construction	
	Part I - Residential Design and Utility	8-I-1
	Part II - Basic Building Materials	8-II-1
	Part III - House Construction	8-III-1
	Part IV - Plans, Specifications, and Codes	8-IV-1
11	Chapter 9 - Cost Approach	9 - 1
	- Building Cost Estimates	

12 & 13	Chapter 10 - Accrued Depreciation	10 - 1
	Page 3	

14	Chapter 11 - The Income Approach	11 - 1
	Relationship Between Incomes and Values	
	Gross Income Estimating and Analysis	

<u>3 Hour Lesson</u>	<u>Chapter and Subject</u>	<u>Page No.</u>
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15 & 16	Chapter 12 - The Income Approach (Cont'd)	12 - 1
	Operating Expense Estimating and Analysis	
	Selection of Capitalization Rates	
	Capitalization Methods and Techniques	

	Chapter 13 - Rehabilitation, Modernization and Remodelling	13 - 1
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17	Chapter 14 - Direct Sales Comparison Approach	14 - 1
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18	Chapter 15 - Reconciliation and Final Estimate of Value	15 - 1
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19 & 20	Chapter 16 - Case Study	16 - 1
	Residential Single Family Dwelling	
	Income Property	

21	Chapter 17 - The Appraisal Report	17 - 1
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22	Chapter 18 - Property Management and Real Estate Brokerage	18 - 1
	Part A - Property Management Page 4	18-1-A
	Part B - Real Estate Brokerage	18-1-B
23	Chapter 19 - Mortgage Lending Procedures and Practices	19 - 1
24	REVIEW	
ADDITIONAL READINGS:	Real Estate Investment Analysis and Valuation L.W. North, Second Edition, Sauls and Pollard Ltd. Winnipeg, Manitoba	
	Real Estate Appraisal in a Nutshell J.I. Steward, Second Edition, University of Toronto Press, Toronto, Ontario	
	Introduction to Real Estate Appraising, Course 100 Manual Appraisal Institute of Canada, Winnipeg, Manitoba	
	Income Property Valuation W.N. Kinnard, Heath Lexington Books, Lexington, Massachusetts	
	Real Estate Appraisal and Investment S.A. Kahn and F.E. Case, John Wiley and Sons, New York, Second Edition	
ADDITIONAL REQUIREMENTS	It should be noted that this course has mandatory attendance. The Appraisal Institute exam will be held around May 11, 1991! Those wishing to write the exam must apply to do so, 45 days prior to the exam date. The exam may be rewritten only once in the 12 months. Following the initial try date.	
	This exam will be proctored by the Appraisal Institute. Applicable examination application and fees shall be forwarded to the Edmonton Chapter Secretary of the Appraisal Institute of Canada.	

BA 231 STATUS

To obtain transferability in the Grande Prairie Regional college BA 231 course a student must either;

- A. Successfully pass the Appraisal 101 examination as set by the Appraisal Institute of Canada.
- B. Receive a passing grade in aggregate on the following;

Midterm Exam	30%
Final Exam	40%
Demonstration Appraisals	30%

The BA231 course does not grant any status whatsoever regarding the Appraisal 101 course of the Appraisal Institute of Canada. Students who intend to write the Appraisal Institute exam may at their discretion write the College BA 231 exams for practise.