

GRANDE PRAIRIE REGIONAL COLLEGE
DEPARTMENT OF BUSINESS ADMINISTRATION

J. Nutting

BA 2310 (4 - 1)

TRANSFER TO:	Appraisal Institute of Canada Appraisal 1101 and 1102
TEXT:	Basics of Real Estate Appraising, Appraisal Institute of Canada Basics of Real Estate Appraising - Workbook, Appraisal Institute of Canada Financial Function Tables for Appraisers
PREREQUISITE:	BA 1050 or consent of the instructor
COURSE DESCRIPTION:	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 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 appraisal process.
GRADING:	Final Exam 100%
	Students must obtain a minimum grade of 70% or obtain Institute Credit. Exams are graded by the Institute.
	To obtain transferability in the Grande Prairie Regional College BA 2310 course, a student must either:
	A. Successfully pass the Appraisal examination as set by the Appraisal Institute of Canada.

B. Receive a passing grade in aggregate on the following:

Midterm	30%
Final Exam	40%
Demonstration Appraisals	30%

The BA 2310 course does not grant any status whatsoever regarding the Appraisal 1101 and 1102 courses of the Appraisal Institute of Canada. Students who intend to write the Institute exams may at their discretion write the College BA 2310 exams for practice. Students must be members of the Appraisal Institute of Canada, or have a membership application in process in order to be eligible to write the Institute exams. Such writing must be done sequentially, i.e. 1101, then 1102.

COURSE CONTENT:

	SUBJECT	CHAPTER
A.	Introduction	Workbook: Preface
B.	Concepts of Value	Chapter 1
C.	The Nature of Real Property	Chapter 2
D.	Land Use Control	Chapter 3, Part I
E.	Assessment	Chapter 3, Part II
F.	Land Measurement and Description	Chapter 4
G.	Registration of Land	Chapter 4
H.	Basic Principles of Real Property - Part I	Chapter 5
I.	Basic Principles of Real Property - Part II	Chapter 5

J.	Mathematics of Finance	Chapter 6: Six Functions of One Dollar
K.	Mortgage Lending Practices and Procedures	Chapter 7
L.	The Appraisal Process	Chapter 8
M.	Regional, Area, and Neighborhood Analysis	Chapter 9
N.	Site Analysis	Chapter 10
O.	Analysis of Improvements	Chapter 10
P.	Direct Comparison Approach - Part I	Chapter 11
Q.	Direct Comparison Approach - Part II	Chapter 11
R.	The Cost Approach to Value - Part I	Chapter 12
S.	The Cost Approach to Value - Part II	Chapter 13
T.	The Cost Approach to Value - Depreciation	Chapter 13
U.	The Income Approach to Value - Part I - Income and Expense Estimating	Chapter 14
V.	The Income Approach to Value - Part II - Capitalization	Chapter 15
W.	Reconciliation and Final Estimate of Value	Chapter 16

X.	Case Studies - Part I	Chapters 10 - 16
Y.	Case Studies - Part II	Chapters 10 - 16
Z.	The Appraisal Report	Chapters 17 & 18

Review and Final Exam

**ADDITIONAL
READINGS:**

Real Estate Investment analysis and Valuation, L.W. North, Second Edition, Saults 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, A.A. Kahn and F.E. Case, John Wiley and Sons, New York, Second Edition

**ADDITIONAL
REQUIREMENTS:**

It should be noted that this course has as an Institute course mandatory attendance. The Institute exam will be held on a bi-annual basis. Those wishing to write the exam must apply to do so, 45 days prior to the exam date. The exam may be rewritten once every 12 months.

This exam will be proctored by the Institute. Applicable examination fees shall be forwarded to the Edmonton Chapter Secretary of the Appraisal Institute of Canada.