



COURSE:	Finance 353
INSTRUCTOR:	Dr. Bennie D. Waller
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Basic Course Information

UNIVERSITY COURSE DESCRIPTION: REAL ESTATE VALUATION and APPRAISAL

A study of the theories of value as applied to both residential and income properties, the determinants of value and underlying principles of valuation. Students will solve problems that demonstrate an understanding of the three approaches to valuation: cost, sales comparison, and income capitalization.

PREREQUISITES: FIN331 & FIN351

REQUIREMENTS:

Financial calculator: The *Texas Instruments BA II PLUS calculator* is recommended and is the calculator used in lectures. An equivalent financial calculator is acceptable, but it is your responsibility to know how to use it. Learn to use your calculator and always have it available for class. You may not use any other electronic devices in lieu of a calculator (i.e., no phone apps).

Textbook: Fundamentals of Real Estate Appraisal, 13th edition by William L. Ventolo and Martha R Williams, Dearborn publishing.

CURRENT EVENTS: The student is expected to keep abreast of the current economic and financial events related to the course material. Sources include finance.yahoo.com, the [Wall Street Journal](http://www.wsj.com), and CNBC financial news.

QUIZZES/EXAMS: Quizzes and exams are an integral part of this course assignments. These are individual assignments, and the Honor Code applies. All graded material is cumulative. That is, any material assigned or covered may be on any or all future graded material. No makeups!!

Tentative Course Schedule (SUBJECT TO CHANGE)

Chapter	Topic	Date
Chapter 1:	The Appraisal Profession	1/24
Chapter 2:	Appraisal Math and Statistics	1/29
Chapter 3:	Real Estate and its Appraisal	1/31 & 2/5
Chapter 4:	Real Estate Transactions	2/7
Chapter 5:	The Real Estate Marketplace	2/12
Chapter 6:	The Appraisal Process	2/14 & 2/19
	EXAM 1	2/21
Chapter 7:	Building Construction and the Environment	2/26
Chapter 8:	Data Collection	2/28 & 3/5
Chapter 9:	Site Valuation	3/7
Chapter 10:	The Cost Approach – Part I: Reproduction/Replacement Cost	3/19 & 3/24
Chapter 11:	The Cost Approach – Part II: Depreciation	3/26
Chapter 12:	The Sales Comparison Approach	3/28 & 4/2 & 4/4
	EXAM 2	4/9
Chapter 13:	The Income Capitalization Approach	4/11
Chapter 14:	Direct and Yield Capitalization	4/16
Chapter 15:	Reconciliation and the Appraisal Report	4/18
Chapter 16:	Appraising Partial Interests	4/23
	FINAL EXAM	5/9 (8AM)

* Schedule subject to change.

COURSE OBJECTIVES

Upon completion of this course, all students should be equipped to:

- describe the type of assignments that an appraiser can receive;
- explain how the savings and loan crisis of the 1980s led to appraiser licensing;
- name the organization that assists Congress by developing appraiser and appraisal criteria;
- identify and explain the qualification criteria for the four categories of appraiser licensing;
- recognize other federal regulations that have an impact on appraisal practice
- calculate the area of squares, rectangles, triangles and irregular closed figures;
- compute the amount of living area in a house;
- interpret and analyze statistical data when presented in an array and frequency distribution;
- calculate the mean, median, and mode;
- distinguish between the formula for finding the standard deviation
- describe regression analysis.

- list the considerations in determining whether an item is a fixture;
- distinguish between public and private restrictions on land use;
- explain the methods that are used to create a legal description of land;
- define the types of freehold estate;
- list commonly used contracts involving real estate;
- explain the elements of a valid contract;
- state the requirements of the statute of frauds;
- identify influences on real estate value;
- explain the importance of determining the appraiser's scope of work;
- compare and contrast: ranch, Cape Cod, two-story, split-level, and split-entry;
- evaluate the characteristics of a neighborhood;
- describe the four stages in the life cycle of a neighborhood;
- complete the Neighborhood, Site, and Improvements sections of the URAR form;
- explain what is meant by an arm's-length transaction;
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OVERVIEW OF COURSE FORMAT

A suggested approach for this class is as follows;

1. Students should attend all classes and be prepared to participate and ask relevant questions.
2. The student should read the associated chapter in the textbook paying very close attention to the material that was focused on in lectures (whether live or recorded).
3. Students should review and complete end of chapter problems in preparing for the graded quizzes and exam.
4. Students should carefully review any material which posed difficulty.
5. If there are questions that continues to pose difficulty, please contact professor for assistance.

STUDENT EVALUATION

Students will be evaluated on their performance on quizzes, examinations and project. **All graded material is cumulative!!**

Grading scale:

Numerical Grade	Letter Grade
90 and above	A
80-90	B
70-80	C
60-70	D
Below 60	F

Quizzes	25%
Exams (3)	75%

COURSE POLICIES



Communication Policy: You will be required to check your University email on a daily basis (**I do NOT use the BLACKBOARD mail feature**). Please use my Ole Miss email bwaller@bus.olemiss.edu for all electronic communications. Emails will be sent to the class periodically with additional course information and announcements. I will respond to emails within 24 hours (excluding weekends and holidays).

Honor Code: Cheating in any form will not be tolerated in any form. If the instructor determines that a student has cheated on an assignment, the grade of “F” may be assigned for the entire course. “Cheating” is the use of unauthorized resources and/or the work of another including, but not limited to, homework, tests, papers, presentations, and exams. Unless specifically instructed otherwise, students are to assume that all coursework is to be the work of the individual student alone. If a student is unsure as to whether collaboration is permitted, the student should contact the professor in advance of performing the work.

Attendance Policy: You are expected to attend all classes, which means arriving on time and being prepared for class. If you are not in class during the entire class period, you will be considered absent. Class attendance is not a substitute for reading the text. Your final grade will be lowered by one letter grade if four or more classes are missed. If you miss 8 or more classes (regardless of reason) you will receive an “F” for the course.

MAKE-UP POLICY: There will be no make-ups allowed for any missed work. If you miss exam 1 OR exam 2, exam 3 will replace your grade for one missed exam (i.e., exam 3 will count 50% instead of 25%). However, if you miss exam 1 and exam 2, your grade on exam 3 will only count for 50% and NOT 75%).

Inclement Weather Policy: Please see www.olemiss.edu for the latest announcements regarding whether classes and the university will be open or not due to bad weather.

ADDITIONAL RESOURCES

Disability Accommodation: A student who feels that s/he may require accommodations because of a learning disability should discuss this with the instructor in private and contact *The Office of Disability Resources*.

Technology Help: If a student has technical issues (hardware/software/passwords) and needs assistance, please contact the Help Desk at 662-915-5222 or via email at helpdesk@olemiss.edu. Please visit their webpage (<https://olemiss.edu/helpdesk/>) for additional information.

OTHER CLASS POLICIES AND INFORMATION

1. Technology often has a way of going wrong -- just at the wrong moment! Please plan ahead and don't leave assignments for the last minute. Remember there are no extensions or make-ups permitted.
2. Let the instructor know as soon as possible if you have problems with material or assignments.
3. You should assume that all material covered will be asked on any future graded assignments.
4. Minimize your concern for grades and maximize your concern for learning. The latter takes care of the former.