



## Workshop 851 – RES Case Study Review Workshop

### Course Description

This workshop provides a comprehensive review and case study for the valuation of residential property. Participants are to have had at least the basic appraisal courses and have experience in the appraisal of residential property. This is not an introductory workshop. The workshop is approximately 25% lecture and 75% problem solving. There are seven sections consisting of: General Appraisal, Land Valuation, Cost Approach, Depreciation, Sales Comparison Approach, Gross Rent Multiplier and Ratio Studies and Statistics. During the final four hours of the workshop, the students will take a practice case study followed by approximately one-hour of reviewing the case study solutions. The practice case study has fifty questions and ten pages of narrative about the subject jurisdiction and subject property. There is no graded exam.

### Objectives

On completion of the workshop, the student should be able to:

- Identify concepts for personal review prior to taking the RES Case Study Exam;
- Read a lengthy case study narrative and extract required information;
- Identify government limitations to property ownership;
- Identify components of both the sales approach and the cost approach;
- Recognize the economic principles related to the sales comparison and cost approaches to value;
- Calculate measures of appraisal uniformity and appraisal level given appropriate data;
- Calculate taxes for a subject property given appropriate data;
- Make appropriate calculations required to use the sales comparison or the cost approaches to value given appropriate data;
- Make calculations related to assessor office staffing given appropriate data.

# Timetable

| Topic                            | Time Requirement | Day Covered |
|----------------------------------|------------------|-------------|
| <b>Chapter 1</b>                 |                  |             |
| What is an Appraisal             | 5 Minutes        | Day One     |
| Appraisal Theory Concepts        | 5 Minutes        | Day One     |
| USPAP                            | 5 Minutes        | Day One     |
| Highest and Best Use             | 25 Minutes       | Day One     |
| Budgeting                        | 5 Minutes        | Day One     |
| Tax Rates                        | 40 Minutes       | Day One     |
| Staff and Time Estimation        | 7 Minutes        | Day One     |
| <b>Chapter 2</b>                 |                  |             |
| Legal Description                | 15 Minutes       | Day One     |
| Stratification                   | 25 Minutes       | Day One     |
| Units of Comparison              | 5 Minutes        | Day One     |
| Land Valuation Methods           | 245 Minutes      | Day One     |
| <b>Chapter 3</b>                 |                  |             |
| Steps in the Cost Approach       | 3 Minutes        | Day One     |
| The Cost Approach Formula        | 5 Minutes        | Day One     |
| Types of Costs                   | 10 Minutes       | Day One     |
| Concepts of Cost                 | 10 Minutes       | Day One     |
| Cost Modifiers                   | 20 Minutes       | Day One     |
| Four Methods of Estimating Costs | 20 Minutes       | Day One     |
| <b>Chapter 4</b>                 |                  |             |
| Forms of Depreciation            | 5 Minutes        | Day Two     |
| Physical Deterioration           | 45 Minutes       | Day Two     |
| Functional Obsolescence          | 10 Minutes       | Day Two     |
| External Obsolescence            | 15 Minutes       | Day Two     |

| Topic                                  | Time Requirement | Day Covered |
|--|------------------|-------------|
| Measuring Depreciation                 | 35 Minutes       | Day Two     |
| Measuring Functional Obsolescence      | 45 Minutes       | Day Two     |
| Measuring External Obsolescence        | 45 Minutes       | Day Two     |
| <b>Chapter 5</b>                       |                  |             |
| Steps in the Sales Comparison Approach | 5 Minutes        | Day Two     |
| Units of Comparison                    | 5 Minutes        | Day Two     |
| Adjustment Methods                     | 25 Minutes       | Day Two     |
| Application of Adjustment Method       | 55 Minutes       | Day Two     |
| Multiple Regression Analysis           | 5 Minutes        | Day Two     |
| <b>Chapter 6</b>                       |                  |             |
| Purpose                                | 5 Minutes        | Day Two     |
| Three Basic Functions                  | 5 Minutes        | Day Two     |
| Steps in a Ratio Study                 | 5 Minutes        | Day Two     |
| Sales Ratio Statistics                 | 125 Minutes      | Day Two     |
| IAAO Ratio Study Performance Standards | 5 Minutes        | Day Two     |
| Graphic Display of Ratio Studies       | 5 Minutes        | Day Two     |
| <b>Practice Exam</b>                   | 210 Minutes      | Day Three   |