

Syllabus

Course 452 - Fundamentals of Assessment Ration Studies

Module 1:

Explain the purpose of a ratio study

Define the aspects of performance appraisal – appraisal level and appraisal uniformity

Outline the six major components in the design of ratio studies

Describe the applications of ratio study

Module 2:

Describe the difference between a sample and the population

Explain various data display methods used such as frequency distribution in the form of histograms and scatter diagrams

Describe the major measures of central tendency like mean, median and weighted mean

Describe the major measures of dispersion like range, average absolute deviation, coefficient of dispersion and coefficient of variation

Define vertical equity and its demonstration about the valuation of low and high valued properties

Identify the ratio study standards for various property types

Module 3:

Describe twelve useful sales data items

Explain the three sources of sales data – real estate transfer documents, buyers and sellers or their agents, and third party sources

List the different types of sales that may need to be excluded from the sales ratio studies

Explain the ways to adjust sales for personal property

Explain the ways to adjust sales for atypical financing

Explain the ways to adjust sales for market conditions (time)

Module 4:

Describe the use of appraisal ratio studies

Define the method of stratified random sampling

Identify human resource issues for supporting a ratio study

Explain the frequency and timing of ratio studies

Describe the ways to present the results and documentation

Describe the ways to use the study results like monitoring appraisal performance, evaluation of appraisal procedures, and development of market adjustments and trending factors

Describe how ratio study is used to evaluate the current performance and establishing goals for improvements

Module 5:

Describe how to calculate a sample size

Describe how to calculate the confidence interval for the mean and the median ratio

Define the six hypothesis testing steps – state the hypothesis, state the alternative hypothesis, choose the statistical test, specify a confidence interval, perform the statistical test, and determine if the statistic lies within the region of rejection

Define the testing for the level of appraisal

Describe the ways to calculate for equity between property groups

Module 6:

Define a list of references of books, articles and surveys that act as sources of additional information on ratio studies

Describe the chi-square test of normality

Define the calculation and graphical representation of the chi-square test