

Date Prepared: October 12, 2000

COURSE OUTLINE

New Revised

Effective Date: Fall 2000

1. **COURSE PREFIX NUMBER:** REA 220 **CREDIT HOURS:** 3
2. **COURSE TITLE:** Income Property Valuation
3. **PREREQUISITES:** REA 216 - Real Estate Appraisal
4. **COURSE DESCRIPTION:** Familiarizes the student with the techniques that are utilized to perform the appraisal of more complex income-producing properties. Focuses on income and expense forecasting, appropriate techniques for determining capitalization rates, and discounted cash flow method. Includes valuation of complex commercial properties such as apartment complexes, office buildings, shopping centers, industrial properties, hotels, and mixed-use complexes. Prerequisite: REA 216 or equivalent. Lecture 3 hours per weeks.
5. **CONTENT:** (Major Headings)
- a. Data gathering and organization for use in the three approaches to value
 - b. Techniques and methods for deriving value
 - c. Theoretical basis of income approaches
 - d. Reconciliation of value indications into estimates of market value
6. **GENERAL COURSE OBJECTIVES:**
Upon successful completion of the course, the student will be able to:
- a. discuss appraisal theory by estimating market value
 - b. discuss sales comparison and cost approaches
 - c. discuss methods used in the sales comparison approach
 - d. discuss all forms of depreciation by means of the breakdown method

