

Saddleback College Business Science Division  
Course Syllabus For RE 176a: REAL ESTATE APPRAISAL: Internet

Live Orientation (or online orientation) is required. You will find the location, date, and time listed in the course information in the current semester's class schedule. This is the only in-person meeting we'll have or there is also an online orientation at:  
[www.saddleback.edu/faculty/mwelc](http://www.saddleback.edu/faculty/mwelc)

You must also complete the Real Estate Department's Online checklist located here: <http://www.saddleback.edu/faculty/mwelc/onlineorientationwelc.htm>.

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[sgeller@saddleback.edu](mailto:sgeller@saddleback.edu)

Office Hours: Martin Welc, M-F, 12-12:30 and 5-5:30 online, [mwelc@saddleback.edu](mailto:mwelc@saddleback.edu).

Course Description:

An introductory course covering the purposes of an appraisal, the appraisal process, and the different approaches, methods, and techniques used to determine the value of various types of property. Emphasis will be on residential and single-unit property. Applies toward State's core educational requirements for the broker's examination. Applies toward Department of Real Estate (DRE) basic education.

Course Objectives:

Upon completion of this course, the student will be able to:

1. Identify pertinent physical, functional and economic factors related to value in single-family residences.
2. Complete research relative to a single-family residential appraisal.
3. Estimate market value using each of the three traditional approaches to value; the cost, market data, and income approaches.
4. Recognize when one or more of the approaches to value are not applicable.
5. Apply real estate appraisal terminology and principles in an appraisal report.
6. Summarize and evaluate the role and importance of the appraiser in the real estate industry.
7. Evaluate career possibilities in the field of real estate appraisal.
8. Define the terms "appraisal," "appraisal practice," and "appraisal report"
9. Describe services that an appraiser provides
10. Distinguish between the purpose and the use of an appraisal
11. Define "real estate" and "real property," as those terms are used in the appraisal field
12. Understand the major tests for distinguishing real property from personal property
13. Describe the different types of estates a person may hold in real property
14. List the types of encumbrances that may exist in real property

15. Explain the powers of government that restrict property rights
16. Define the term “value” and identify its elements
17. Differentiate between value, price, and cost
18. Define the term “market value” and distinguish it from other types of value, such as value in use and investment value
19. List the principles of value
20. Describe the relationship between each principle of value and the appraisal process
21. Understand how the use of real estate affects its value
22. Explain how social, economic, governmental, and environmental forces can affect value
23. Identify each of the steps in the appraisal process
24. Differentiate between the purpose and use of an appraisal
25. Distinguish the appraisal’s effective date from the date of the appraisal report
26. Understand the importance of assumptions and limiting conditions in an appraisal report
27. Describe the preliminary steps in defining an appraisal problem
28. List the different ways of categorizing appraisal data, such as general or specific data and primary or secondary data
29. Define the three approaches to value
30. Name the basic formats for an appraisal report
31. Understand the metes and bounds system of land description
32. Explain the role of reference points, courses, and distances
33. Use the rectangular survey method of land description
34. Describe a property in terms of its township and section
35. Understand the lot and block system of land description
36. Calculate the area of a rectangle, a triangle, and a complex shape
37. Determine the volume of a three-dimensional object
38. Calculate reciprocals and percentages
39. Compute direct capitalization and interest
40. Understand calculations involving present and future value
41. Identify the forces that influence value at the regional and community levels
42. List common sources of regional and community data
43. Explain how immediate market areas and neighborhoods are defined
44. Describe important types of neighborhood data
45. List the most common sources of neighborhood data
46. Identify at least five types of site data that must be collected
47. List the seven different categories of building data
48. Understand how to analyze data concerning comparable properties
49. Use cost, income, and expense data
50. Define highest and best use and explain its role in appraisal
51. Describe the criteria for a determining a property’s highest and best use
52. Explain how highest and best use is applied to vacant and improved land
53. Describe interim uses and legal nonconforming uses
54. Define the terms “excess land” and “plottage”
55. List the six methods of site valuation

56. Name the elements of comparison used in the sales comparison method for valuing land
57. List the five basic types of houses and their characteristics
58. Identify different architectural styles
59. Explain the importance of siting in house design
60. Know the three activity zones of a house
61. Describe the ideal characteristics for each type of room
62. List different construction methods and materials
63. Understand technical terminology associated with construction
64. Name different styles of foundations, roofs, doors, and windows
65. Describe the relationship between cost, value, and depreciation
66. List the steps in the cost approach to value
67. Explain the difference between replacement and reproduction cost
68. Apply the different cost estimating techniques
69. Locate sources of data for cost estimation
70. Define actual age, effective age, economic life, physical life, and useful life
71. Identify the different types of depreciation
72. Contrast the different methods of estimating depreciation
73. Describe the characteristics of a real estate market and a comparable sale
74. List the steps in the sales comparison approach
75. Differentiate between units of comparison and elements of comparison
76. List the elements of comparison, such as conditions of sale and financing terms
77. Understand how to analyze and adjust comparables
78. Distinguish relative comparison analysis from paired data analysis
79. Describe the sequence in which adjustments are made
80. Explain the process of reconciling value indicators
81. Explain the relationship between income and value for an investor
82. Describe how an investor might decide on an acceptable rate of return
83. State the formula for direct capitalization
84. Understand the differences between potential gross income, effective gross income, net operating income, and pre-tax cash flow
85. Identify how each type of income is calculated
86. Read a reconstructed operating statement
87. List the different methods for estimating capitalization rates
88. Understand how to use gross income multipliers and residual techniques
89. Calculate the present value of a future payment using discounting
90. Define the term "reconciliation" and describe the role of reconciliation in the appraisal process
91. Identify the different points in the process when values might be reconciled
92. List the steps in the reconciliation process
93. Describe the factors that affect the reliability of reconciliation
94. Explain the use of point estimates and range values
95. Decide on an appropriate degree of rounding
96. Define extraordinary assumptions, hypothetical conditions, and limiting conditions

97. Explain the difference between self-contained, summary, and restricted use reports
98. Describe the difference between narrative and form reports
99. Complete a Uniform Residential Appraisal Report form
100. Identify the different sections of the URAR form and describe the contents of each section
101. Understand the importance of the appraiser's certification of the form report
102. Describe the ways of dividing a fee simple interest
103. Define the different types of easements and leases
104. List the different methods of sharing ownership of an entire property
105. Understand the techniques used in appraisals involving leaseholds, leased fees, easements, and liens
106. Explain the differences between condominiums, PUDs, cooperatives, and timeshares
107. Explain how a profession is distinguished from other occupations
108. Identify the major professional associations for appraisers
109. Describe licensing and certification requirements imposed by FIRREA
110. Define the term "federally related transaction" as it applies to appraisals
111. List the types of transactions that require the services of a licensed or certified appraiser
112. Name the five federal financial institutions regulatory agencies (FFIRAs)
113. Summarize the minimum appraisal standards imposed by the FFIRAs
114. Understand appraisal requirements imposed by Fannie Mae and Freddie Mac
115. Explain the significance of the Uniform Standards of Professional Appraisal Practice
116. Describe the introductory provisions of USPAP and explain how they apply to appraisal practice

Student Resources :

Text Required:

*Real Estate Appraisal*; Real Estate Appraisal, latest Edition, Rockwell Publishing, Author Joseph F. Schram, Jr.

Recommended: *Real Estate Appraisal Exam*; Fisher/Tosh; Dearborn, 4th Ed.

*Plain Language Dictionary of Real Estate*; Cox, Cox, & Silver-Westrick. Available in the bookstore.

The telephone number for the Saddleback College Bookstore is (949) 582- 4715.

Due Dates: All online course work (challenge exercises and final exam) must be completed online by 11:59 pm of the last day of the course as listed in the class schedule. You do NOT need to click on the "submit" button in the online course to receive credit. Please refer to Saddleback's Schedule for the last official day of the course: to get to this information, go to [www.saddleback.edu](http://www.saddleback.edu) then click on class schedules (located in the left column). Then find the term you registered for (pay attention to whether the class you

registered for is a 16 week class or a first 8 week class or a second 8 week class). On the next page click on “Real Estate.” From there, find the class you registered for (verify the ticket number on your registration (the paper you got from the registrar when you registered at the beginning of the semester) matches the ticket number on this screen so that you get the information for the right class. From there, click “Details.” This will take you to the page with information regarding the first and last days of the course. The required essay may be submitted by email to [mwelc@saddleback.edu](mailto:mwelc@saddleback.edu), [bschermerhorn@saddleback.edu](mailto:bschermerhorn@saddleback.edu), [sgeller@saddleback.edu](mailto:sgeller@saddleback.edu).

The essay is due no later than 11:59 pm of the last day of the course as listed in the class schedule. To obtain a completed course verification form, follow these instructions exactly: 1. Complete ALL work for the course. 2. Deliver to Professor in person or send by postal mail your essay *together with* the course verification form *and* a self-addressed stamped envelope.

Course Requirements and Grading: You must attend the scheduled in-person Orientation or watch and listen to the online orientation, You will be responsible for the information provided at the Orientation. If you absolutely cannot attend the scheduled live Orientation, you may send a friend or relative to obtain the Orientation information and materials for you or watch and listen to the online orientation. You must review and complete the real estate department’s distance education online checklist: (Please note: this checklist is located here:

<http://www.saddleback.edu/faculty/mwelc/onlineorientationwelc.htm>

Complete the required reading, that is, the textbook chapters and online material. Complete the self-assessments, activities, reviews, exercises, case studies, quizzes, etc., in the text and online. All of these will help clarify your understanding of the concepts and calculations, reinforce learning, and enhance mastery. Complete all challenge exercises and the final exam online. Write a 500-word Essay

About the Online Course:

Note: We do not use Blackboard for this course! We use ROCKWELL.

Getting Started: To access your course you will need a User ID and Password. Log onto [www.rockwelleducation.com/cc](http://www.rockwelleducation.com/cc) and enter the key code (found on the cardboard backing of the student guide) and course information in the corresponding fields and selecting the appropriate roster. After click the “Submit” button you will be assigned a User ID and Password. Save this information as it will allow you to log into your account and begin your course. You are allowed as many hours as you need for completing the course.

More How-To:

You will need the textbook, the online access code, and a user name and password. The information for setting up the access to the online course is included with the Student Guide and online access code. Follow those instructions carefully. You cannot enter the online course without this information!

Remember, you will need the textbook, the online access code (called a keycode), and a user name and password. The information for setting up the access to the online course is included with the Student Guide and online access code. Follow those instructions carefully. You cannot enter the online course without this information! NOTE: You cannot share the keycode with another learner. The keycode is tied to your work in the course, so sharing will not work. ANOTHER NOTE: You need a different keycode for each Rockwell course you take. If you are taking four classes that use the Rockwell system, you will need four different, separate keycodes.

To use the online course, after you have received your password, go to [www.rockwelleducation.com](http://www.rockwelleducation.com) and log on by entering your User ID and password. The Pre-test does not count toward your grade. It will be used to help you judge your starting knowledge ... and it will help us monitor the effectiveness of the online course. Please complete the Pre-test as soon as you access the online course.

Recommendation: Work through the course by reading a chapter of the text and doing the exercises. Then do the chapter work online. This will reinforce your learning. Do not try to read the whole book and then start the online work. You will forget what you read early in the book and you won't have the benefit of the reinforcement.

If you experience any difficulties during the registration process, please contact Rockwell at 1-800-221-9347.

And ... Get started right away. Work in small chunks. Take breaks. Do not procrastinate. And if you need help, send me email: [mwelc@saddleback.edu](mailto:mwelc@saddleback.edu), [bschermerhorn@saddleback.edu](mailto:bschermerhorn@saddleback.edu), [sgeller@saddleback.edu](mailto:sgeller@saddleback.edu)

About the Final:

You have two hours to take the Final. The online system will give you five hours, but your professor allows you only two hours. Your professor can see all your work and time spent. The Final has 100 multiple choice questions. Also, please complete the Final exam in *one sitting*, just as you would in a live class. This does not mean you cannot take a break for a few minutes. You may exit the Final if you wish to take a break. The system will remember your answers and you can pick up where you left off. The system will allow you three attempts on the Final. **ONLY THE FIRST ATTEMPT COUNTS TOWARD YOUR GRADE!**

About the Essay:

The essay should be between 500 and 600 words. This is about a page and a half.

Write:

1. Write an essay identifying pertinent physical, functional and an essay on one of the following topics:  
economic factors related to value in single-family residences.
2. Write an essay demonstrating your knowledge of real estate appraisal terminology and principles in an appraisal report.
3. Write an essay demonstrating that you know when one or more of the approaches to value are not applicable.
4. Write an essay demonstrating your knowledge of concepts and

procedures related to estimating market value using each of the three traditional approaches.

5. Write an essay about the role and importance of the appraiser in the real estate industry.

The required essay may be submitted by email to [mwelc@saddleback.edu](mailto:mwelc@saddleback.edu), [bschermerhorn@saddleback.edu](mailto:bschermerhorn@saddleback.edu), [sgeller@saddleback.edu](mailto:sgeller@saddleback.edu) . The essay is due no later than 11:59 pm of the last day of the course as listed in the class schedule.

#### Grade Computation:

Your grade will be based on your quizzes and Final Exam scores and your essay. The Progress Test ("midterm") does NOT count toward your grade. Your grade will be computed according to the percentage correct/possible of all questions and the essay. The Final exam is 75 percent of your grade. The challenge exercises are worth 20 percent of your grade. The essay is worth 5 percent of your grade.

#### GRADE COMPUTATION

90-100% =A. 80-89% =B .

70-79% =C . 60-69% =D .

< 59%= F

First final exam score..... 75% Average quiz score..... 20%

Essay..... 5% Total..... 100%

\*\*\*IMPORTANT GRADE INFORMATION\*\*\* The Family Rights and Privacy Act of 1974 restricts the release of certain student information such as grades. Therefore, please do not call for grade information. Your performance score/grade will be mailed to you if you provide your instructor with a self-addressed, stamped envelope or postcard at the Final Exams, or you may go to <http://www.socccd.org/grades>. If you decide to drop this course, *you* must go to the Office of Admissions and Records in the Student Services Building. If you fail to officially drop and do not complete the course, you will receive an "F" on your permanent record. *This is a College rule. Your instructor cannot change it.*

#### Disability Accommodations:

If you have specific disabilities and require accommodations, please let me know early in the semester, so that your learning needs may be appropriately met. You will need to provide documentation of your disability to the Special Services Office in Student Services Center, Room 113. Students with disabilities, including non-visible disabilities such as chronic diseases, learning disabilities, head injury and attention deficit disorder, are encouraged to contact the instructor to discuss appropriate accommodations that might be helpful to them. Students with disabilities who may need academic accommodations should discuss options with their professors during the first two weeks of class. Any student with a documented disability needing academic adjustments or accommodations is requested to speak with the instructor. All discussions are and will remain confidential.