



# THE UNIVERSITY of MISSISSIPPI

COURSE:	Finance 353
INSTRUCTOR:	Dr. Bennie D. Waller
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OFFICE HOURS:	T/TH 11-12, M/W 8-9 and other times by appointment

## 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.

**Textbook:** Fundamentals of Real Estate Appraisal, 13<sup>th</sup> 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](http://finance.yahoo.com), the Wall Street Journal, 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 assignments have specific due dates/times, but may be completed prior to the deadline. No makeups are permitted. Ask questions when you need help.

## Tentative Course Schedule

Chapter	Topic	Date
Chapter 1:	The Appraisal Profession	8/21
Chapter 2:	Appraisal Math and Statistics	8/28
Chapter 3:	Real Estate and its Appraisal	9/4
Chapter 4:	Real Estate Transactions	9/11
Chapter 5:	The Real Estate Marketplace	9/18
Chapter 6:	The Appraisal Process	9/25
	EXAM 1	10/2
Chapter 7:	Building Construction and the Environment	10/4
Chapter 8:	Data Collection	10/9
Chapter 9:	Site Valuation	10/16
Chapter 10:	The Cost Approach – Part I: Reproduction/Replacement Cost	10/23
Chapter 11:	The Cost Approach – Part II: Depreciation	10/30
Chapter 12:	The Sales Comparison Approach	10/11
	EXAM 2	11/6
Chapter 13:	The Income Capitalization Approach	11/13
Chapter 14:	Direct and Yield Capitalization	11/15
Chapter 15:	Reconciliation and the Appraisal Report	11/27
Chapter 16:	Appraising Partial Interests	11/29
	FINAL EXAM	

\* 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 both the live and recorded lecture.
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 the professor for assistance.
6. Students should take graded quiz. If there still exists uncertainties in the covered material, the student should review material and/or contact professor with questions.

## STUDENT EVALUATION

Students will be evaluated on their performance on quizzes, examinations and project.

### 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 Longwood University email on a daily basis (**I do NOT use the BLACKBOARD mail feature**). Please use my Ole Miss email [bwaller@bus.olemiss.edu](mailto: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).

**Communication Policy:** Email will be the primary means of communication in this class. Students are expected to check your email at least once per day. Students may also contact me by calling my office phone during office hours.

**Code of Conduct:** It is important to recognize that the online classroom is in fact a classroom, and certain behaviors are expected when you communicate with both your peers and your instructors. These guidelines for online behavior and interaction are known as netiquette. In general, when communicating online “think before you write.” Treat instructors and students with respect, use clear and concise language, use correct spelling and grammar, and avoid slang and texting abbreviations. Keep your discussion board posts on topic, be respectful of others’ opinions, and when you disagree with someone express your differing opinion in a respectful, non-critical way. Be professional in your online communications. Finally, do not share your password with anyone, change your password if you think someone else might know it, and always logout when you are finished using the system.

**Honor Code:** Cheating in any form will not be tolerated in any form in the College of Business and Economics. 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. Class attendance is not a substitute for reading the text. The college attendance policy provides the following penalties. The final grade may be lowered by one letter grade if more than 10% of classes are missed with absences in excess of 25% resulting in an automatic F.

**MAKE-UP POLICY:** There will be no make-ups allowed for any missed work. If you miss exam 1 OR exam 2, then exam 3 (which is cumulative) will replace your grade for 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](http://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](mailto: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 not extensions or make-ups permitted.
2. Let the instructor know as soon as possible if you have problems with material or assignments.
3. You are to assume that any and everything related to concept understanding will be asked on every exam.
4. Minimize your concern for grades and maximize your concern for learning. The latter takes care of the former.