REAL 390: REAL ESTATE VALUATION ANALYSIS  
SYLLABUS: SPRING 2019

Meeting Times: Tuesdays; 4:00PM – 6:45PM  
Location/Room: Education Center 120

INSTRUCTOR:  
Elaine Worzala, Ph.D.  
Office: Beatty Center, Suite 112  
Phone: 843-953-8121(Office)  
Email: worzalaem@cofc.edu  
Office Hours: Tuesdays 10-12, Wednesdays 8:30-11:30 or by appointment.

PREREQUISITES:  
ACCT 203, ACCT 204, ECON 200, ECON 201, MATH 104 or MATH 250, DSCI 320, FINC 303, and REAL 310 or permission of the instructor.

COURSE DESCRIPTION:  
This course focuses on the theory and practice of property valuation. Students are introduced to the fundamental valuation concepts and will gain experience by completing a real estate valuation of an income-producing property. Students will employ various real estate software and databases to complete their valuation.

OBJECTIVES OF THE COURSE:  
The course synthesizes real estate appraisal theory and practice to help students develop analytical skills and judgment ability in examining real estate appraisal decisions. The main objectives of the course include:

• To introduce the principles and techniques of the appraisal process for evaluating and valuing real properties.

• To allow the student to use analysis and employ the principle approaches to value in establishing an appraisal report.

• To have the student understand the uses of valuation in the real estate purchase, construction, and investment decision-making process.

• To introduce ethical standards and the review process by which the appraisal profession is based upon and uses on a daily basis.

• Students will be able to apply technology in making appraisal decisions, including the use of current data and relevant software applications (e.g., Excel, ARGUS and CoStar).
SCHOOL OF BUSINESS LEARNING GOALS:
The School of Business Learning goals addressed by this course include:

COMMUNICATION SKILLS: Students demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner. Students should be able to present thoughtful arguments during case discussions and submit analytical written papers.

QUANTITATIVE FLUENCY: Students demonstrate competency in logical reasoning and data analysis skills. This course requires an aptitude in comprehending and applying quantitative data and methods in solving practical real estate problems.

SYNTHESIS: Students demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks. Students will apply real estate appraisal theory and practice to real life problems. Students will develop the ability to synthesize information from real estate transactional documents and other sources.

REQUIRED TEXT:

SUPPLEMENTARY TEXT:

The instructor will also provide supplemental notes and these will be covered on any exams.

METHOD OF INSTRUCTION:
This course is conducted on a lecture/discussion basis. You are assigned readings in the text and there may be other assigned readings at the instructor’s discretion. The instructor is expected to be prepared for class and the students should be prepared as well. Discussion of topics during the lecture is considered very helpful to the learning process for many students. The instructor will use real life examples many topics to help further educate the students so there will be an attendance policy for this course.

COURSE MATERIALS:
Course materials will be distributed via OAKS. Students are expected to check their OAKS accounts regularly to download any materials provided for class. In addition, email will be used for communication in this class. Please be sure to regularly check your email and when asked to respond, respond.

GUEST SPEAKERS:
On some of the days, we will have guest speakers come from industry to share their experiences and perspectives on issues discussed in class. Information about the speakers and dates will be communicated to the class in due course.
ASSIGNMENTS AND EXAMS:

Syllabus Quiz and Information Sheet (10 points): Will be posted on OAKS. Needs to be completed and in the Drop Box by Jan 14th at 5:00. No late submissions allowed.

Current Event (20 points): To keep abreast of current events in the real estate industry, each student will make a 5-minute presentation and lead a 5-minute discussion on a recent article found in either the local, regional, or the national press. Part of the grade will be based on the ability of the student to engage the class in meaningful discussion. A handout will be provided on what is expected of the student presentations and a schedule will be set up the week of Jan 21.

Two Assignments (30 points each for a total of 60 points): Two assignments to apply the three approaches to value will be distributed. They will be due the following week.

Attend Two External Events Related to Real Estate (10 points each for a total of 20 points): Throughout the term there will be lots of external events and speakers that will be announced in class. This will include events put on by the Carter Real Estate Center and the Real Estate Club. Also, this could include other events you hear about across campus that might be related to a club you belong to or an area you are interested in. I encourage you to attend as many of these events as you possibly can but you must attend two of them. To show evidence of attendance you must write a 1-2 page reflective essay and somehow relating their presentation to the topic of this class, real estate.

Career Fair on February 27 from 10-1 in the TD Arena or HTMT Flip Career Fair on February 19, 2019 (10 points)
Each student must make every effort to attend one of these Career events. You need to research one of the firms that will be at the event and write a 1-2 page summary of the company and the job opportunity as well as how it relates to real estate. Be sure to register for Handshake and for information on the career fair see https://app.joinhandshake.com/career_fairs/8128.

Appraisal Project Report (100 points) and Presentation (50 points): There will be one project this semester. The objective of the project is to use techniques learned in the classroom and textbook and applying this to a real life example. A packet of information will be provided to students. Students will use the packet of information in determining the value of a subject property. Detailed instructions for the project will be posted on OAKS along with its due date. The completed project should be submitted on OAKS. A late project may be accepted by the instructor within 12 hours of the due date, but will incur a 20% penalty per hour. A completed project will not be accepted more than 12 hours after the due date.

Excel and ARGUS Enterprise Cashflow Analysis (100 points): To facilitate your learning of ARGUS Enterprise, there will be a mandatory workshop on March 7-9. This will include a field trip to a shopping center as well as a workshop where students will complete a case study for a potential prize of $500. Detailed instructions for the project will be posted on OAKS along with its due date but please be sure to block your calendars for this workshop. In exchange for attendance at the workshop, we will not have class on several days, Feb 25 and April 23. An alternative to the workshop is Dr. Soyeh will be teaching ARGUS Enterprise in his REAL 490 class that is from 2:00-3:15 on M and W in Tate 304 from January 23-February 6. If you are free at that time you are welcome to sit in his classroom and pick up this very important skill set. The completed project should be submitted on OAKS by the end of business (5:00 pm) on April 24, Reading Day.
Exams (100 points): There will be two exams, one in class and one take home due at the time of your final. If a student will miss an exam due to illness, family emergency, or work emergency, the student must contact the instructor in advance of the exam period and receive permission to take a make-up exam at the instructor’s convenience.

Attendance points and class participation (30 points)

Class attendance is absolutely essential. All missed classes will be noted. The policy on missed classes is to allow each student two absences, no questions asked, no penalty EXCEPT for the days when our project sponsor is in the classroom. This date will be announced as soon as the project is locked in. All further absences over this limit will reduce the student’s grade on a sliding scale of points thereafter:

<table>
<thead>
<tr>
<th>Absences</th>
<th>Points Reduction</th>
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<tbody>
<tr>
<td>2</td>
<td>Free</td>
</tr>
<tr>
<td>3</td>
<td>-5 Points</td>
</tr>
<tr>
<td>4</td>
<td>-10 Points</td>
</tr>
<tr>
<td>5</td>
<td>Fail</td>
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</tbody>
</table>

Five unexcused “absences” and the student will receive a final grade of F.

For athletic or academic absences required by the university will not count in these missed classes but students must work with me to make up missed work due to these extracurricular activities.

Class meetings start promptly. Habitual lateness (and leaving class early) and/or use of laptops or cell phones during class will be noted as evidence of low course commitment and similarly be penalized and reflective in your class participation grade. This policy is non-negotiable.

GRADING CRITERIA:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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<tbody>
<tr>
<td>Syllabus Quiz and info sheet</td>
<td>10</td>
</tr>
<tr>
<td>Current Event</td>
<td>20</td>
</tr>
<tr>
<td>Two Assignments (30 points each)</td>
<td>60</td>
</tr>
<tr>
<td>Two External Event Speakers (10 points each)</td>
<td>20</td>
</tr>
<tr>
<td>Career or Internship Fair</td>
<td>10</td>
</tr>
<tr>
<td>Final Presentation and Project</td>
<td>50</td>
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<tr>
<td>Final Project</td>
<td>100</td>
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<tr>
<td>ARGUS Enterprise Project</td>
<td>100</td>
</tr>
<tr>
<td>First Exam</td>
<td>100</td>
</tr>
<tr>
<td>Second Take Home Exam</td>
<td>100</td>
</tr>
<tr>
<td>Attendance/Participation</td>
<td>30</td>
</tr>
<tr>
<td>Total Points</td>
<td>600</td>
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</tbody>
</table>

Your final numeric average, will translate into a letter grade as shown below.

<table>
<thead>
<tr>
<th>Average Range</th>
<th>Grade</th>
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<tbody>
<tr>
<td>93 ≤ avg ≤ 100</td>
<td>A</td>
</tr>
<tr>
<td>90 ≤ avg &lt; 93</td>
<td>A-</td>
</tr>
<tr>
<td>87 ≤ avg &lt; 90</td>
<td>B+</td>
</tr>
<tr>
<td>83 ≤ avg &lt; 87</td>
<td>B</td>
</tr>
<tr>
<td>80 ≤ avg &lt; 83</td>
<td>B-</td>
</tr>
<tr>
<td>77 ≤ avg &lt; 80</td>
<td>C</td>
</tr>
<tr>
<td>73 ≤ avg &lt; 77</td>
<td>C-</td>
</tr>
<tr>
<td>70 ≤ avg &lt; 73</td>
<td>B+</td>
</tr>
<tr>
<td>60 ≤ avg &lt; 70</td>
<td>B</td>
</tr>
<tr>
<td>avg ≤ 60</td>
<td>F</td>
</tr>
</tbody>
</table>
There will be no resubmission of an exam or project for a higher grade. Any bonus point questions on exams will be available to all students.

CLASS METHODOLOGY

Class lecture will include a great deal of information based on the instructor’s experience and knowledge as well as a large number of guest speakers. In addition, class participation is important as you will be required to ask at least one question of each professional. The information in assigned text readings will enhance this classroom experience. Students are required to read the textbook assignments PRIOR to class so that a meaningful discussion can be held. This course is not designed as a monologue and student participation is expected and important. Course Schedule will be speakers as well as assignment due dates will be provided in a separate document.

ASSIGNMENT EXPECTATIONS

Following the School of Business learning goal of effective communications, all written work (including presentations) must be completed in professional style and follow basic principles of effective written communication. As any potential investor (or employer) would expect, all written work should be neat, well-organized, clearly written, and free from grammatical and/or typographical errors. In other words, grammar, spelling and formatting will count as part of the grade on all assignments (including presentations).

MAKE-UP EXAM POLICY:
Make-up exams are given if the student has a verifiable and reasonable excuse. The instructor needs to be informed before the exam. Anyone with a religious or legal conflict must discuss the situation with the instructor in advance. The person can also schedule appointments to meet in the instructor’s office to ask questions.

USE OF ELECTRONIC DEVICES:
The use of all electronic devices, including cell phones, laptops and pads is forbidden in the classroom during lectures and class discussions. Texting, receiving or sending messages, cell phone use, or the use of laptop computers during these times will result in immediate dismissal from the lecture with an absence recorded. Students must keep these devices turned off and out of sight during class. It is a violation of this policy to keep such devices on your lap. Of course, the use of these devices during team meetings in class to prepare cases or assignments is encouraged and allowed. In addition, if you have a documented disability and need to use an electronic device an exception can be made.

WRITING LAB:
I urge you to take advantage of the Writing Lab in the Center for Student Learning (Addlestone Library, first floor). Trained writing consultants can help with writing for all courses; they offer one-to-one consultations that address everything from brainstorming and developing ideas to crafting strong sentences and documenting sources. For more information, please call (843)-953-5635 or visit http://csl.cofc.edu/labs/writing-lab/.

CENTER FOR STUDENT LEARNING:
You are encouraged you use the Center for Student Learning’s (CSL) academic support services for assistance in study strategies, speaking & writing skills, and course content. They offer tutoring, Supplemental Instruction, study skills appointments, and workshops. Students of all abilities have become
more successful using these programs throughout their academic career and the services are available to 
you at no additional cost. For more information regarding these services, please visit the CSL website at 
http://csl.cofc.edu or call (843)953-5635.

ACCOMMODATION FOR DISABILITIES:
The College will make reasonable accommodations for persons with documented disabilities. Students 
should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, 
Suite 104. Students approved for accommodations are responsibility for notifying me as soon as possible 
and for contacting me one week before accommodation is needed. If there is a student in the class who has 
a documented disability and has been approved to receive accommodations through the Center for 
Disability Services / SNAP, please come and discuss this with me during my office hours. Any student 
eligible for and needing accommodations because of a disability is requested to speak with me during my 
office hours

ACADEMIC MISCONDUCT:
Academic dishonesty will not be tolerated. Cheating on tests or assignments that are considered group 
assignments will not be tolerated and a zero grade will be given if it occurs. No use of cell phones is allowed 
during tests and these should be turned to silent ring tones during class sessions as well as tests. The 
undergraduate catalog has a detailed policy on academic misconduct.

COLLEGE OF CHARLESTON HONOR CODE AND ACADEMIC INTEGRITY:
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, 
are investigated. Each incident will be examined to determine the degree of deception involved. 

Incidents where the instructor determines the student’s actions are related more to a misunderstanding will 
handled by the instructor. A written intervention designed to help prevent the student from repeating the 
error will be given to the student. The intervention, submitted by form and signed by both the instructor 
and the student, will be forwarded to the Dean of Students and placed in the student’s file. 

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having 
knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for 
academic dishonesty will receive a XF in the course, indicating failure of the course due to academic 
dishonesty. This grade will appear on the student’s transcript for two years after which the student may 
petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended 
temporary removal) or expelled (permanent removal) from the College by the Honor Board. 

Students should be aware that unauthorized collaboration--working together without permission-- is a form 
of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or 
test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include 
possessing or using an unauthorized study aid (which could include accessing information via a cell phone 
or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance. 

Research conducted and/or papers written for other classes cannot be used in whole or in part for any 
assignment in this class without obtaining prior permission from the instructor.

Students can find the complete Honor Code and all related processes in the Student Handbook at 

NAME AND PRONOUN STATEMENT
I will gladly honor your request to address you by the name and gender pronouns of your choice. Please advise me of this early in the semester via your college-issued email account or during office hours so that I may make the appropriate notation on my class list.

**CALCULATORS AND EXCEL:**
Students are required to bring to class and know how to use a financial calculator that can calculate uneven cash flows, such as a TI-BAII+. Students must also learn how to use financial formulas in Excel.

**ARGUS ENTERPRISE:**
In addition to using a financial calculator and Excel for solving problems, students will be taught how to conduct valuation using ARGUS Enterprise.

**EXPECTATIONS:**
- I expect you to read the textbook chapters and supplemental readings before the corresponding class.
- I expect you to participate in class discussions, and to speak up if you need clarification.
- I expect that you will not find every topic we cover to be of interest to you, but that you will be a good sport about it.

**STUDENT ASSESSMENT:**
Your constructive assessment of this course plays an indispensable role in shaping education at College of Charleston. Upon completing the course, please take time to fill out the online course evaluation.
COURSE SCHEDULE:
This syllabus provides a general plan for the course; deviations may be necessary and I am still working on the guest speakers. Updated on 1/10/2019

Week 1: Jan 8

Introduction to the Class. Syllabus quiz due before class on 1/14.

Week 2: Jan 15

Presentation by Dr. Ken Soyeh, Principles of Value and the Appraisal Processes, Highest and Best Use Analysis: Applications to Value, Chapter 1, 2, 11 and maybe 5. Syllabus quiz due before class on 1/14.

Week 2: Jan 22

Five Attributes to Value, Legal Issues in Appraisal and Site and Improvement Analysis, posted handouts, Ch 3, 4 and slides

Week 3: Jan 29

Current Event Presentations, Sales Comparison Approach to Value, Ch 12

Week 4: Feb 5

Current Event Presentations, Site Valuation and the Cost Approach to Value, Ch 13, 14 and slides

Week 5: Feb 12

Current Event Presentations, Income Approach to Value, Cashflow Forecasting, Income Return Calculations and Discount Rate Selection and Capitalization Rate Approach to Valuation Chapters 6-8 and slides

Week 6: Feb 19

Current Event Presentations, Income Approach to Value, Leased Fee, Leasehold, Discounted Cashflow and Risk Analysis 9,10 and 11 and slides

Week 7: Feb 26

Current Event Presentations, Income Approach to Value, Valuation of Mortgage/Equity Interests, Reconciliation and Appraisal Chapters 15, 16, 17 and 20 and slides

Week 8: March 5

EXAM

Mandatory Field trip (March 6) and ARGUS WORKSHOP (March 7-9). An alternative to the workshop is Dr. Soyeh will be teaching ARGUS Enterprise in his REAL 490 class that is from 2:00-3:15 on M and W in Tate 304 from January 23-February 6. If you are free at that time, you are welcome to sit in his classroom and pick up this very important skill set.
Week 9: March 12

Current Event Presentations, Introduction of the Project with Mike Ferrer and DJ Van Slambrook, Create Groups, Workday for the remainder of class. Slides and notes posted on Oaks.

Week 10: March 19

NO CLASS Spring Break

Week 11: March 26

Current Event Presentations, Appraisal Ethics and Bias Slides on Oaks, Work in the classroom on your projects

Week 12: April 2

Current Event Presentations, Tax Considerations, Ch 19 and slides on Oaks

Week 13: April 9

Current Event Presentations, Valuation of Proposed Construction and Valuation of Distressed Properties, Ch 21, 22 and slides on Oaks

Week 14: April 16

NO CLASS but you can work in the classroom on your projects and I will be available to help. Could also do practice presentations.

**Final Exam April 25 from 4-7, Beatty 301**

You will be making final presentations to a panel of judges and we will serve refreshments.