

JAMES A. GRAASKAMP COLLECTION OF TEACHING MATERIALS

VII. INDUSTRY EDUCATIONAL COURSES - LONG TERM

F. U.W. Extension And Executive Development

9. Miscellaneous U.W. Business School Courses

- c. "Contemporary Real Estate Appraisal and Feasibility Methods", Sponsored by U.W. Graduate School of Business, James A. Graaskamp, Program Coordinator and Instructor, July 18-23, 1976: Brochure only

CONTEMPORARY REAL ESTATE APPRAISAL & FEASIBILITY METHODS

july 18-23, 1976

This seminar is an intensive introduction to principles, concepts, and applications which are taught as the core of the University of Wisconsin graduate program in Appraisal & Investment Analysis. These ideas may contradict or expand appraisal doctrine and techniques advocated by the various professional appraisal societies. **THUS THIS COURSE IS NOT APPROVED OR SPONSORED BY ANY PROFESSIONAL REAL ESTATE CERTIFICATION GROUP. IT DOES NOT CARRY CREDIT TOWARD ANY PROFESSIONAL DESIGNATION OR REQUIREMENT.** Nevertheless, its techniques are practical and tested in appraisal and investment counseling and will expand the professional's ability to serve the needs of his client on matters requiring systematic real estate analysis.

Instructors

Prof. James A. Graaskamp, SREA, CRE, Chairman - Department of Real Estate & Urban Land Economics
 Prof. James C. Canestaro, a Registered Architect and City Planner who teaches the Basic Appraisal, Property Development, and Construction Management courses in the UW School of Business
 Prof. Harry P. Sharp, Prof. of Sociology, Director of UW Survey Research Institute
 Prof. Dan Willard, Institute for Environmental Studies
 James R. DeLisle, Marketing and Financial Analyst, Ph.D. candidate, Real Estate and Urban Land Economics
 Franz E. Fischer, Production and Marketing Analyst, Ph.D. candidate, Real Estate and Urban Land Economics
 Michael L. Robbins, Environmental and Systems Analyst, Ph.D. candidate, Civil and Environmental Engineering

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Seminar - Lowell Hall Center
July 18-23, 1976

SUNDAY

- 4:00-6:00 p.m. Registration and Cocktails
- 6:00-7:00 Dinner
- 7:00-8:30 Introductory Lecture (Graaskamp)
1. Relationship between feasibility and appraisal analysis
 2. Current redefinition of highest and best use

MONDAY

- 8:30-10:15 a.m. Critique of Traditional Appraisal Methods
1. Summary of Ratcliff critique
 2. Concept of most probable sales price
- 10:15-10:30 Coffee Break
- 10:30-12:00 Most Probable Use, Most Probable Buyer, and Most Probable Price (Graaskamp)
1. General procedure in application
 2. Implications for organization of appraisal report format
- 12:00-1:00 Lunch
- 1:00-3:00 p.m. Site Analysis (Robbins & Canestaro)
1. Static attributes
 2. Legal Attributes
 3. Definition of building envelope alternatives
 4. Linkage attributes
 5. Dynamic attributes
 6. Definition of alternative marketable uses
- 3:00-3:15 Coke Break
- 3:15-4:30 Best Use Selection Matrix (Robbins & Canestaro)

1. Comparison of alternative uses compatible with static, legal, linkage, and dynamic attributes
 2. Alternative profit centers for alternative uses
 3. Selection of most fitting use
 4. Identification of most probable buyer group
- 4:30-7:00 Recreation and Dinner Break
- 7:00-8:30 Environmental Constraints on Future Use Option (Willard)

TUESDAY

- 8:30-10:15 a.m. Basic Statistics for Appraisers (Knitter)
1. Concept of averages
 2. Concept of normal distribution
 3. Concept of standard error and dispersion
- 10:15-10:30 Coffee Break
- 10:30-12:00 Statistics Continued (Knitter)
1. Simple linear regression
 2. Explanation of MKTCOMP
- 12:00-1:00 Lunch
- 1:00-3:00 p.m. Application of Statistics to Market Comparison Approach (Graaskamp)
1. Simple averages
 2. Appraisal of single family homes using linear regression of market comparison scoring
- 3:00-3:15 Coke Break
- 3:15-4:30 Linear Approach Applied to Vacant Land (Graaskamp)
1. Defining capacity for saleable units
 2. Definition for absorption and capture rates
 3. Definition of bail-out price
 4. Linear regression comparison
- 4:30-7:00 Dinner and Recreation
- 7:00-8:30 Workshop for Statistical Exercises
- ### WEDNESDAY
- 8:30-10:15 Market Survey for Buyer-User Profiles in Feasibility and Appraisal (Graaskamp & Sharpe)
- 10:15-10:30 Coffee Break
- 10:30-12:00 Telephone Survey Techniques (Sharpe)
1. Sampling
 2. Drafting questions
 3. Interview techniques
 4. Organizing survey data for presentation
- 12:00-1:00 Lunch
- 1:00-3:00 p.m. Introduction to Investors Simulations (Graaskamp & DeLisle)
1. Evolution of present value techniques
 2. Simple cash flow problem exercise
 3. Front door - back door format
- 3:00-3:15 Coke Break

3:15-4:30 Basic After Tax Cash Flow Model (Graaskamp & DeLisle)
1. Assumptions required
2. Mini-Mod computer output
3. Ratio analysis

4:30-7:00 Recreation and Dinner Break

7:00-8:30 Introduction to Computer Terminal Appraisal Systems (Robbins & Fischer)
1. Ellwood
2. IHV model

THURSDAY

8:30-10:15 a.m. Case Demonstration of Best Use and Appraisal of Obsolete Building (Canestero & Graaskamp)
1. Class provided with data bank, photo summary
2. Class determines reuse from physical analysis
3. Class determines most probable buyer

10:15-10:30 Coffee Break

10:30-12:00 Class Teams Prepare Initial Valuation Estimate (Graaskamp)
1. Linear Regression estimate
2. Investment value estimate

12:00-1:00 Lunch

1:00-3:00 p.m. Report Writing Techniques (Hanson)
1. Definition of Audience
2. Structuring the argument
3. Data presentation

3:00-3:15 Coke Break

3:15-4:30 Report Writing Techniques Continued (Hanson)
1. Writing styles
2. Graphic materials for multiple copies

Evening is Open

FRIDAY

8:30-10:15 a.m. Appraisal, Feasibility, or Counseling? (Graaskamp)
1. Defining the clients problem
2. Defining the professional team

10:15-10:30 Coffee Break

10:30-12:00 Professional Practice Problems (Graaskamp, Hastings, & Thorne)
1. Fees
2. Ethics
3. Soliciting clients

Lunch - Meeting Adjourned

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