Introduction

Real Estate Appraisal, Finance 322, is the second of two real estate courses offered in the College of Business. Real Estate Appraisal gives a comprehensive overview of the appraisal process. Practicing real estate appraisers prepare written appraisal reports that document the value estimate. Well-formed appraisals are a vital part of most real estate decisions, particularly those that involve the listing, financing, sale, and purchase of real estate.

Please go to http://pvcaa.siu.edu/_common/documents/syllabus%20attachments/Syllabus%20Attachment%20Spring%202016.pdf for other very important information that pertains to all SIU courses.

The goals of this course include:

1. To become familiar with the different types of legal descriptions of land.
2. To understand the legal rights and interest associated with real estate.
3. To recognize the different forms of property ownership.
4. To know how real estate is financed.
5. To master the purpose and process of creating real estate appraisals.
7. To understand building design and construction details.
8. To know how to collect the kind of data needed for an appraisal.

9. To study the approaches for a site valuation.

10. To make a final determination using the process of reconciliation.

Standards of professional conduct have existed in the appraisal profession since the creation of professional appraisal organizations. During the early and mid 1930s, several national appraisal organizations adopted and published formal codes of ethics and standards of professional appraisal practice.

As the real estate appraisal professions expanded through the 1970s, additional professional appraisal organizations were established, each with its own separate code of ethics and standards of professional conduct. The same general underlying themes ran through all of the organizations' standards, but they differed enough, so that someone who belonged to two or more organizations occasionally was forced with a dilemma over what should properly be done in a given situation.

In the mid 1980s, individual professional appraisers belonging to eight national professional appraisal organizations in the United States met to develop minimum standards for the content and scope of real estate appraisal reports. This initial effort at standardization produced the original Uniform Standards of Professional Appraisal Practices dated April 27, 1987. Appraisal review and appraisal consulting plus appraisal of personal property and business intangible, were incorporated within USPAP, together with the basic standards for real estate valuation procedures and reporting.

Later in 1987, The Appraisal Foundations was organized. Two independent boards were established in 1988 with the Appraisal Foundation: The Appraisal Standards Board (ASB) and the Appraiser Qualifications Board (AQB). The ASB was charged with the responsibility of continual review, revisions, and interpretation of USPAP.

In August of 1989, The Financial Institution Reform, Recovery and Enforcement Act (FIRREA) was passed by the U. S. Congress. Title XI specifically addressed issues relating to certifications, licensing, and professional conduct of real estate appraisers. FIRREA formally and officially recognized The Appraisal Foundation as the source within the appraisal profession for the promulgation of standards of professional appraisal conduct. FIRREA also recognized USPAP as the generally accepted standards for real estate appraisal activities for federally related transactions. Most national, designation-awarding professional appraisal organizations have adopted USPAP as required minimum standards for their members, irrespective of the character of the appraisal assignment. Those professional appraisal organizations that have adopted USPAP have made them applicable to all appraisal activities of their members, rather than restricting them to federally related transactions or any other specific types of appraisal activity.
Text


Assignments

Each unit has 3 to 5 chapters in the textbook you need to read. It is recommended that you read the chapter lecture notes prior to reading the text since the study guide will highlight the important concepts presented in the textbook. Furthermore, there are certain pages in the textbook, that are listed at the beginning of each section in the chapter lecture notes, which you are not required to read.

It is also recommended that you answer the exercise questions at the end of certain segments within the chapter and the multiple-choice review questions at the end of each chapter. These sample quizzes are to help you prepare to take your examinations. These sample quizzes are for practice only and are not to be submitted to the instructor.

Course Lectures

The course lecture notes for Section 1, 2, 3, and 4 under the Course Files are important when preparing for each of the exams. The majority of the questions on the exams will come from the information in bold print from the course lecture notes. The key word(s) for all the statements in bold print have been underlined. You must know either the key word(s) or the corresponding information to the key word(s) in bold print. In addition, the problems on the exam will come from the calculations that are underlined and in bold print from the course lecture notes. Be aware of this as you study and prepare for each exam.

Examinations

The examinations are objective tests. The first 3 exams consist of fifty multiple-choice questions. Exam 4 consists of thirty-five multiple-choice questions. Each question on an exam is worth two points. The four exams cover material from the corresponding chapters assigned in each unit. It is recommended that you take one exam at a time and do the exams in sequence, so that you will better understand the material presented in the course, as well as excel on the test.

Some of the multiple choice questions in each unit are mathematical problems. Therefore, it is recommended that you bring a calculator to each exam.
Four Examinations:

<table>
<thead>
<tr>
<th>Exam</th>
<th>Chapters</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1, 2, 3, 4, &amp; 5</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>6, 7, 8, &amp; 16</td>
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<tr>
<td>3</td>
<td>9, 10, 11, &amp; 12</td>
<td>100</td>
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<tr>
<td>4</td>
<td>13, 14, &amp; 15</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td><strong>Total Points</strong></td>
<td><strong>370</strong></td>
</tr>
</tbody>
</table>

Grading Scale:

A  =  333 – 370  
B  =  296 – 332  
C  =  259 – 295  
D  =  222 – 258  
F  =  0 – 221

Exam Dates:

All exams must be completed by the due date specified in the Quizzes section on D2L. To view each exam’s due date, you need to click on the Activities dropdown box and then click on Quizzes. The listed Start date indicates the first day of the second half of the semester. The listed End date and time indicates the specific date and time each of the exams must be completed.

Exams:

Finance 322 begins March 21, 2016 and ends May 12, 2016. Exams for this course will be loaded at the beginning of the semester and have specific due dates. Make sure you are aware of the due date for each of the four exams for this class. You must submit each completed exam by the deadline, to get credit for that exam. All submission for this course must be completed by the last day of class, May 12, 2016.
Using Respondus LockDown Browser and a Webcam for Online Exams:

This course requires the use of Respondus LockDown Browser and an external webcam to take the exams. The external webcam must be the type that plugs in with a USB cable. You must purchase an external webcam for your computer. A Logitech C270 webcam is recommended for this class. A webcam which is integrated into your computer is not sufficient for exam monitoring.

You must place the external webcam on your desk about 2 feet from the left side of your keyboard. It should be parallel to the left side of your keyboard and capture the area around your computer. You must show you photo ID and the surrounding workspace before taking each exam. You cannot use your textbook or class notes when taking an exam. No exam can be taken at the testing center in Morris Library.


Finally, when taking an online exam, follow these guidelines:

1. Ensure you're in a location where you won't be interrupted.

2. Turn off all mobile devices, phones, etc.

3. Clear your desk of all external materials — books, papers, other computers, or devices. However, you may use a clean sheet of typing paper for any problems requiring calculations.

4. Remain at your desk or workstation for the duration of the test.

5. Since a webcam is required, make sure it is plugged in or enabled before starting Respondus LockDown Browser.

6. Respondus LockDown Browser will prevent you from accessing other websites or applications during the exam. If a second monitor is connected to your computer, the software will disable that monitor during an exam. You will be unable to exit the test until all questions are completed and submitted.

7. Because a webcam is required, you will be recorded during the test to ensure you’re using only permitted resources. Respondus LockDown Browser and webcam will record the audio and video of your exam environment.
**Downloading Respondus LockDown Browser:**

1. Log onto SIU Online with your SIU Network ID and Password at http://online.si.edu.

2. In the right-hand column of your home page on SIU Online under User Links, click on Respondus LockDown Browser.

3. This link will take you to an install page to download the program.

4. Click on Install Now and follow the steps on the wizard to download the program into your computer. When the program has been downloaded into your home computer, click Finish.

5. Depending on your Internet speed, this is a fairly quick download.

6. You only have to do this one time unless you remove the software from your home computer before the next exam.

**To take the Exam:**

1. Before taking an actual exam it is highly recommended that you take the sample proctor test. This sample proctor test will require Respondus LockDown Browser so you can become familiar with the procedures.

2. To take an actual exam start Respondus LockDown Browser instead of the internet browser you typically use.

3. If you see the message: “Kill these Applications”, you will need to quit the applications in the list. For exam security some programs are not allowed to run while you are taking the exam.

4. Log onto SIU Online with your SIU Network ID and Password.

5. Click on FIN 322 under MY COURSES.

6. To access the Exams for FIN 322, click on the drop-down box for ACTIVITIES and choose QUIZZES.

7. Failure to follow the instructions may result in a lower exam grade.
The exams required for the entire course are listed on D2L. Make sure you are accessing the correct exam before you begin. Exams will be timed—you will have 50 minutes to complete each exam. Each exam is completed by answering all the questions and manually submitting the exam yourself before the end of the 50-minute time period. You can only take an exam one time.

**You must finish the exam within 50 minutes once you click start.** Once you start an exam the clock begins and only stops when the exam is submitted or the time for the exam runs out. After the expiration of 50 minutes to take the exam, you will have a 1-minute grace period to manually submit your exam. If your exam is not manually submitted by the end of this 1-minute grace period, your exam will be automatically submitted for you, even if you have not competed the exam.

Before the time to take an exam runs out, you have the opportunity to return to any questions that you may not have answered, or you can even change the answer to any question that you have previously saved. **It is recommended that you save your answers one at a time after each question on the exam.**

If you have saved your answers one at a time to each of the questions on the exam, you will then be able to log back onto the exam even if your computer or the internet shuts down unexpectedly. Consequently, if you follow this procedure, you will not lose any of your answers to the questions you have already completed. However, the time you have to finish the exam, after you restart the exam, will be reduced by the amount of time you have already used to take the exam.

**Off-Campus Students:**

If you live off-campus and do not have a home computer, you will need to contact your local community colleges or libraries to see if they are equipped with the RESPONDUS Lockdown program, or if they are willing to download it into their computers. You cannot take any of the exams without access to this program.

**Academic Dishonesty**

The University Academic Dishonesty Policy as stated in the SIUC Bulletin will be strictly adhered to in this course.

**Instructor**

**Dr. Ted Pilger** has been a lecturer in the Department of Finance since 1992. He has taught Personal Finance, Real Estate, Small Business Financing, Corporate Finance, and Investments over the past years. Dr. Pilger received his D. B. A. in Finance from Southern Illinois University at Carbondale and is a licensed real estate pre-licensure instructor.