

AQB GUIDE NOTE 1 (GN-1)

AQB GUIDANCE FOR CURRICULUM CONTENT EFFECTIVE JANUARY 1, 2008

Guide Note 1 (GN-1) contains guidance for curriculum content with subtopics listed under each major module listed in the Appendix. The subtopics in Guide Note 1 will be used for developing examination content outlines for each applicable credential level and may also be amended from time to time to reflect changes in technology or in the Body of Knowledge.

BASIC APPRAISAL PRINCIPLES

30 HOURS

- A. Real Property Concepts and Characteristics
 - 1. Basic Real Property Concepts
 - 2. Real Property Characteristics
 - 3. Legal Description
- B. Legal Consideration
 - 1. Forms of Ownership
 - 2. Public and Private Controls
 - 3. Real Estate Contracts
 - 4. Leases
- C. Influences on Real Estate Values
 - 1. Governmental
 - 2. Economic
 - 3. Social
 - 4. Environmental, Geographic and Physical
- D. Types of Value
 - 1. Market Value
 - 2. Other Value Types
- E. Economic Principles
 - 1. Classic Economic Principles
 - 2. Application and Illustrations of the Economic Principles
- F. Overview of Real Estate Markets and Analysis
 - 1. Market Fundamentals, Characteristics, and Definitions
 - 2. Supply Analysis
 - 3. Demand Analysis
 - 4. Use of Market Analysis
- G. Ethics and How They Apply in Appraisal Theory and Practice

BASIC APPRAISAL PROCEDURES

30 HOURS

- A. Overview of Approaches to Value
- B. Valuation Procedures
 - 1. Defining the Problem
 - 2. Collecting and Selecting Data
 - 3. Analyzing
 - 4. Reconciling and Final Value Opinion
 - 5. Communicating the Appraisal
- C. Property Description
 - 1. Geographic Characteristics of the Land/Site
 - 2. Geologic Characteristics of the Land/Site
 - 3. Location and Neighborhood Characteristics
 - 4. Land/Site Considerations for Highest and Best Use
 - 5. Improvements - Architectural Styles and Types of Construction
- D. Residential Applications

THE 15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT

15 HOURS

- A. Preamble and Ethics Rules
- B. Standard 1
- C. Standard 2
- D. Standards 3 to 10
- E. Statements and Advisory Opinions

RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE

15 HOURS

- A. Residential Markets and Analysis
 - 1. Market Fundamentals, Characteristics and Definitions
 - 2. Supply Analysis
 - 3. Demand Analysis
 - 4. Use of Market Analysis
- B. Highest and Best Use
 - 1. Test Constraints
 - 2. Application of Highest and Best Use
 - 3. Special Considerations
 - 4. Market Analysis
 - 5. Case Studies

RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH*15 HOURS*

- A. Site Valuation
 - 1. Methods
 - 2. Case Studies
- B. Cost Approach
 - 1. Concepts and Definitions
 - 2. Replacement/Reproduction Cost New
 - 3. Accrued Depreciation
 - 4. Methods of Estimating Accrued Depreciation
 - 5. Case Studies

RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES*30 HOURS*

- A. Valuation Principles & Procedures - Sales Comparison Approach
- B. Valuation Principles & Procedures - Income Approach
- C. Finance and Cash Equivalency
- D. Financial Calculator Introduction
- E. Identification, Derivation and Measurement of Adjustments
- F. Gross Rent Multipliers
- G. Partial Interests
- H. Reconciliation
- I. Case Studies and Applications

RESIDENTIAL REPORT WRITING AND CASE STUDIES*15 HOURS*

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Form Reports
- D. Report Options and USPAP Compliance
- E. Case Studies

STATISTICS, MODELING AND FINANCE*15 HOURS*

- A. Statistics
- B. Valuation Models (AVM's and Mass Appraisal)
- C. Real Estate Finance

ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES*15 HOURS*

- A. Complex Property, Ownership and Market Conditions
- B. Deriving and Supporting Adjustments
- C. Residential Market Analysis
- D. Advanced Case Studies

GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE*30 HOURS*

- A. Real Estate Markets and Analysis
 - 1. Market Fundamentals, Characteristics and Definitions
 - 2. Supply Analysis
 - 3. Demand Analysis
 - 4. Use of Market Analysis

- B. Highest and Best Use
 - 1. Test Constraints
 - 2. Application of Highest and Best Use
 - 3. Special Considerations
 - 4. Market Analysis
 - 5. Case Studies

GENERAL APPRAISER SALES COMPARISON APPROACH*30 HOURS*

- A. Value Principles
- B. Procedures
- C. Identification and Measurement of Adjustments
- D. Reconciliation
- E. Case Studies

GENERAL APPRAISER SITE VALUATION AND COST APPROACH*30 HOURS*

- A. Site Valuation
 - 1. Methods
 - 2. Case Studies
- B. Cost Approach
 - 1. Concepts and Definitions
 - 2. Replacement/Reproduction Cost New
 - 3. Accrued Depreciation
 - 4. Methods of Estimating Accrued Depreciation
 - 5. Case Studies

GENERAL APPRAISER INCOME APPROACH*60 HOURS*

- A. Overview
- B. Compound Interest
- C. Lease Analysis
- D. Income Analysis
- E. Vacancy and Collection Loss
- F. Estimating Operating Expenses and Reserves
- G. Reconstructed Income and Expense Statement
- H. Stabilized Net Operating Income Estimate
- I. Direct Capitalization
- J. Discounted Cash Flow
- K. Yield Capitalization
- L. Partial Interests
- M. Case Studies

GENERAL APPRAISER REPORT WRITING AND CASE STUDIES*30 HOURS*

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Report Options and USPAP Compliance
- D. Case Studies