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Overview

Course Description

Practical Applications in Appraising Green Commercial Properties is a two-day course that introduces participants to a broad range of valuation problems encountered when appraising green commercial buildings, conventional buildings with green features, and conventional buildings in today's markets where sustainability influence is increasing. This course immerses participants into the effects of green building and sustainability on the valuation process for commercial real estate. Using real-world case studies, participants develop insight and experience applying established appraisal methodology to a variety of green building appraisal problems.

Structured around the application of each of the three approaches to value, participants learn credible techniques for analyzing and reporting the degree to which green building and sustainability affect the valuation process for a given property. They also learn how cost- and income-based adjustments can be utilized when comparable sale data is lacking. In addition, the course addresses how green building and sustainability affect the development of an appropriate scope of work and may require changes to the highest and best use analysis for both green and conventional properties.

This course is one of five courses that make up the Appraisal Institute's Valuation of Sustainable Buildings Professional Development Program. The other courses include *Introduction to Green Buildings: Principles & Concepts*, *Case Studies in Appraising Green Residential Buildings*, *Residential and Commercial Valuation of Solar*, and *Case Studies in Appraising Green Commercial Buildings* (online only). The Valuation of Sustainable Buildings Professional Development Program has a residential path and commercial path. For more information, please see www.appraisalinstitute.org/education/your-career/professional-development-programs

Note. *Practical Applications in Appraising Green Commercial Properties* is approved by GBCI for 15 CE hours.

Course Objectives

Upon completion of the course, participants should be able to:

- Identify and understand green building features and practices in both green and conventional commercial buildings.
- Recognize and analyze the effect of sustainability and green building for various commercial property types in a given market for both green and conventional buildings.
- Identify how green building and sustainability impact the entire appraisal process.

- Identify and analyze the value effects of green building for each of the three approaches to value.
- Develop an appropriate scope of work for assignments involving green building features or in sustainability-oriented markets.

Learning Enhancements

The course has been designed with a variety of elements to enhance your learning experience.

- **Preview.** Each part begins with a preview page, which includes a brief overview of the content and learning objectives to consider as you move through the content.
- **Learning Objectives.** Each learning objective covers essential information needed to understand the concepts in the course. Review them before the part begins so that you have a frame of reference as you move through the material. At the end of each part, reread the objectives. Are you able to do what is stated? If not, this is the time to ask your instructor for help or review the concepts that you do not understand.
- **Examples and Problems.** To supplement the discussions, we've included examples and problems to help you visualize and practice what you are learning.
- **Case Studies.** The case studies in the course contain exercises that allow practical application of the tools and methods needed to appraise green commercial properties.
- **Green Resources.** Tap a variety of online Green Resources from our website at: www.appraisalinstitute.org/education/education-resources/green-building-resources. Topics are expanded regularly and include legislation, national and state government sites and programs, databases, design, and solar energy. This free benefit is available only to class participants. Appraisal Institute Designated members, Candidates for Designation, Practicing Affiliates, and Affiliates receive indefinite access; all other class participants are granted two-year admittance.
- **Review.** Each part ends with a review of the concepts covered.
- **Practice Tests.** Practice tests are included at various points within the materials. The questions are similar to the types of questions you might find on the exam.
- **Digging Deeper.** Throughout the course, you will find content labeled Digging Deeper. Generally, the instructor will not cover this material in class. More advanced participants or those looking for an extra challenge can refer to the Digging Deeper sections while the rest of the class is finishing work on individual or small group activities. Content identified as Digging Deeper will not appear on the exam. However, appraisers preparing for the Comprehensive Exam should be

familiar with it, as well as all other material contained in the course handbook, whether or not it is presented in class.

Classroom Guidelines

To make the classroom environment a positive experience, please follow these guidelines:

- 100% attendance is required. No exceptions.
- Silence cell phones.
- Limit use of computers and wireless devices to classroom projects.
- Recordings are not permitted.
- Put away reading materials such as newspapers and books that are not used in class.
- Refrain from ongoing conversations with those seated near you and other distracting behavior.

General Information

- *Practical Applications in Appraising Green Commercial Properties* is approved by GBCI for 15 CE hours.
- **Basic Function Calculator.** A basic four-function calculator is required for this course. Certain mathematical functions are easier to perform on a calculator such as the HP-12C, but a normal function calculator can also perform the calculations.

Important Note. Laptops, cellular phones, tablets, iPads, wearable technology (smart watch, Apple Watch, etc.), and other devices that can store data or connect to the Internet are **NOT** permitted during the exam. In addition, all watches, wallets, bags, and purses must be removed and stored out of reach prior to taking the exam.

- **Required Textbook.** *The Valuation of Green Commercial Real Estate* is a required book for this course. It will be referenced throughout the two-day course. The course is built around the book, and many of the problems and case studies are derived directly from examples in the book. Participants need the book in class for several of the case studies. While a laptop is not required for the course, **participants MUST access either a printout or the electronic pdf of the textbook during class.**
- **Breaks.** There will be one 20-minute break during the morning session and one 20-minute break during the afternoon session unless noted otherwise by the course sponsor. The lunch break is one hour.

- **Attendance sheets** will be distributed during class to verify your attendance during the morning and afternoon sessions.
- **Certificates of completion** may be downloaded after completion of the course, and attendance during the entire course is required.

Prerequisites

- Required: *Introduction to Green Buildings: Principles & Concepts*
- Recommended: *Residential and Commercial Valuation of Solar*

Exam

- 25 multiple-choice questions