

AP443
Real Property Assessment Administration
3 Credits

Instructor: Kenneth Rutherford
Phone: 780 853 8695
Original Developer: Patty Pidruchney
Current Developer: Kenneth Rutherford
Reviewer: Rob Koebel
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2602 - 59 Avenue, Lloydminster, Alberta, Canada T9V 3N7. Ph: 780 871 5700
5707 College Drive, Vermilion, Alberta, Canada T9X 1K5. Ph: 780 853 8400
Toll-free in Canada: 1 800 661 6490



AP443 Version: 4



Real Property Assessment Administration

Calendar Description

This course introduces the student to the fundamentals of the real property assessment system for taxation and its administration. Topics include property tax, assessment law, organizational structure, records and data systems, quality assurance and the application of mapping and GIS (geographic information systems).

Rationale

This is a required course for Real Estate Appraisal and Assessment students. It is a course in the administration of property assessment and is essential for any student planning to pursue a career involving the valuation of real property.

Prerequisites

None

Co-Requisites

AP330

Course Learning Outcomes

Upon successful completion of this course, students will be able to

Lesson No. 1

1. describe the evolution of the property tax.
2. discuss the taxation principles of ability to pay and benefits received and how they relate to the property tax.
3. describe the different points of view regarding property tax incidence.
4. list the components of an ideal property taxation system.
5. describe alternative methods of property taxation and assessment.
6. provide an overview of property taxation around the world.
7. discuss the importance of the property tax to local governments in Canada.

Lesson No. 2

1. calculate nominal and effective property tax rates.
2. explain the role of the assessor and the different functions an assessment system must perform.
3. list the requirements for an effective assessment system.
4. describe the assessment and property taxation features of each province and territory.

Lesson No. 3

1. discuss different approaches to the interpretation of statutes.
2. explain specific interpretation rules for statutes.
3. list methods of acquiring assistance in the interpretation of statutes.
4. describe the general statutory duties of an assessor.
5. explain the potential impact of tort law on assessors.
6. explain the duties of persons acting in a judicial or quasi-judicial capacity.
7. describe general case law with respect to the assessment of real property.

Lesson No. 4

1. cite typical motives for conducting revaluations.
2. list and explain the technical requirements for a revaluation.
3. describe various components involved when a revaluation is contracted.
4. determine important considerations in the bid process, contract writing, monitoring, and delivery for contracted work.
5. describe the components involved in an in-house revaluation.
6. explain how a CAMA system can be developed in conjunction with a revaluation.

Lesson No. 5

1. describe the difference between mass appraisal and single property appraisal.
2. explain the relationship between the evolution of mass appraisal and changes in computer technology.
3. list and describe the components of a mass appraisal system and their functions.
4. discuss how appraisal logic can be stated as an appraisal model.
5. describe the relationship between appraisal and economic principles and how these principles lead to changes in the demand and supply of real estate.
6. discuss in general terms how the methods of appraisal can be specified, calibrated, and tested.

Lesson No. 6

1. recognize the potential of computers in mass appraisal.
2. define the components that comprise computer hardware.
3. describe different categories of software.
4. explain important considerations in selecting a CAMA system.
5. provide the important components of a request for proposal for hardware and software purchase decisions.
6. Implementing GIS into the CAMA system

Lesson No. 7

1. obtain an overall sense of how property information can be described and coded.
2. describe the items to be considered in designing a property record form including property type, the intended use of the form, lay-out, and data inventory manuals.
3. implement a data collection program for a reappraisal project including hiring and training of data collectors, preparing forms, controlling quality, and estimating productivity.
4. explain the systems controls required for data management.
5. develop an awareness of new developments in data collection.

Lesson No. 8

1. describe the legal instruments that are used to transfer the ownership of real property.
2. describe, in general terms, the types of land registration systems used in Canada.
3. explain which sales data are useful and which may require adjustment or elimination.
4. explain how to identify non-market transactions.
5. describe how to make adjustments for personal property, financing, and time.
6. explain various methods used to obtain income and expense data.

Lesson No. 9

1. explain the different land description and map referencing systems that are used to legally describe land, and discuss the importance to assessment.
2. identify common scales used for maps.
3. clarify and illustrate typical standards for assigning parcel identifiers.
4. provide examples of map-based parcel identification systems.
5. describe computerized mapping systems and their possible applications in assessment.
6. describe common applications for GIS in assessment and real property valuation; and
7. explain the benefits of pursuing an enterprise solution approach to GIS development.

Lesson No. 10

1. describe the classical, neoclassical, and systems approaches to management, the underlying foundations in each organizational structure, and the type of structure advocated by each approach.
2. discuss how different organizational structures may be applicable in an assessment context.
3. explain the elements of strategic planning, their purpose and relationship to each other.
4. describe the four approaches to budgeting.
5. explain the steps to be followed in hiring new employees, motivating employees, and disciplining employees.
6. describe the various components of job descriptions and their application in assessment.
7. describe theories of leadership and how they contribute to effective management.
8. provide some insight into how human behaviour can impact an organization and systems it uses.

Lesson No. 11

1. discuss the role of quality assurance in real property assessment and the techniques used to measure and confirm quality assessments.
2. outline the steps required to conduct an appraisal review.
3. discuss the principles of effective public relations and customer service and what is involved in creating an effective public relations plan.
4. outline the issues in managing the assessment appeal process.
5. describe the typical procedures for a formal hearing and what goes into preparing for it.
6. explain which information can be used as supporting documentation for the appeals process.
7. illustrate the base home technique.
8. discuss issues surrounding the public's right to know in an assessment office.

Resource Materials

Required Text(s):

UBC Real Estate Division. (2009). *Foundations of Real Property Assessment and Mass Appraisal manual*. Vancouver, BC: UBC Real Estate Division.

UBC Real Estate Division. (2009). *Foundations of Real Property Assessment and Mass Appraisal course workbook (BUSI 443)*. Vancouver, BC: Real Estate Division, Sauder School of Business, University of British Columbia.

Reference Text(s):

None

Conduct of Course

Since AP443 is course BUSI 443 in the diploma program in Urban Land Economics at the University of British Columbia, contents of the course workbook are followed.

AP443 is one of the five courses required in the certificate program in Real Property Assessment at the University of British Columbia Real Estate Division.

AP443 is primarily a lecture course with chapter assignments and two projects that apply the theory assessment to municipalities.

The final exam is developed by the University of British Columbia Real Estate Division. Graded final exams and grades earned in the course are forwarded to the University of British Columbia. A supplemental exam is available to students who do not receive a passing grade.

Classroom participation concerning class material is expected and is beneficial to all students. Practice classroom courtesy so that class discussion periods can be conducted in an orderly fashion. If you must enter the classroom after class has begun, please do so as quietly as possible. If you have a disagreement with the instructor on a particular graded exercise or exam question, please see the instructor after class or during office hours.

Studying for the course: it is critical that each student read the assigned material for each class and keep up to date with all lectures and assigned problems.

Student counseling: students who are experiencing difficulty with the course should immediately consult the instructor during office hours or by appointment.

Course withdrawal: students should familiarize themselves with the school's course withdrawal policy and procedures that are explained in the student handbook/calendar. It is important to note that students who simply discontinue attending class without officially withdrawing from the course receives a grade based upon the total points they have accumulated. Ordinarily, the result is a failing grade.

Canceled classes: on occasion classes may be canceled due to inclement weather, instructor illness, or for some other reason. These classes are rescheduled if possible. Please check and carefully read the cancellation notices posted on classroom doorways (i.e. date, time and course).

Cheating: any student observed plagiarizing materials or cheating on written assignments/projects, chapter quizzes or the final exam are dealt with according to the procedure stipulated in the student handbook/calendar.

Evaluation Procedures

The final grade is an aggregate of the following components:		15%
Multiple Choice Assignments		
Projects/Written Assignments	No. 1	15%
	No. 2	20%
Examination Final		<u>50%</u>
Total		100%

A minimum grade of 60% (D) is required in each of the projects/assignments and the examination final.

Grade Equivalents and Course Pass Requirements

A minimum grade of D (50%) (1.00) is required to pass this course.

Letter	F	D	D+	C-	C	C+	B-	B	B+	A-	A	A+
Percent Range	0-49	50-52	53-56	57-59	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-100
Points	0.00	1.00	1.30	1.70	2.00	2.30	2.70	3.00	3.30	3.70	4.00	4.00

Students must maintain a cumulative grade of C (GPA - Grade Point Average of 2.00) in order to qualify to graduate.

Attendance

Regular attendance is essential for success in any course. Absence for any reason does not relieve a student of the responsibility of completing course work and assignments to the satisfaction of the instructor. Poor attendance may result in the termination of a student from a course(s).

If you do not meet the established attendance requirements, your instructor will recommend that the Registrar withdraw you from the course. A failing grade of RW (Required to Withdraw) will appear on your transcript.

In cases of repeated absences due to illness, the student may be requested to submit a medical certificate.

Instructors have the authority to require attendance at classes.

Course Units/Topics

Chapter 1 - The Ad Valorem Tax System

1. A Brief History of the Property Tax
2. Property Taxation Theory
3. Alternative Methods of Property Tax Around the World
4. The Importance of the Property Tax in Canada

Chapter 2 - Real Property Assessment

1. Property Tax Assessments, Levies, and Rates
 - a) The Role of the Assessor
 - b) Real Property Assessment Systems
2. Policy and Administrative Features of an Effective Assessment
3. Property Taxation by Province

Chapter 3 - Law and the Assessor

1. Statutory Interpretation
2. Property Assessment Law as a Branch of Administrative Law
3. Assessment Case Law
4. Appendix 1: Provincial/Territorial Legislation - Definition of Assessed Value and Equity Provisions
5. Appendix 2: Assessment Case Law

Chapter 4 - Valuation Planning

1. Technical Requirements in Valuation
2. getting Started with a Revaluation
3. In-house Revaluation
4. Developing a CAMA system
5. Contracting the Revaluation Work

Chapter 5 - Mass Appraisal

1. Comparing Mass Appraisal and Single-Property Appraisal
2. Evolution of Computer Assisted Mass Appraisal (CAMA)
3. Components of a Mass Appraisal System
4. Summary of Mass Appraisal Steps
5. Mass Appraisal Theory and Techniques

Chapter 6 - Computers in Mass Appraisal

1. Introduction
2. Computer Hardware
3. Computer Software
4. Computer Assisted Mass Appraisal (CAMA)
5. Software Components of CAAS/CAMA system
6. Selecting a CAAS/CAMA system
7. GIS and CAMA

Chapter 7 - Data Collection and Management

1. Introduction
2. Property Characteristics Data
3. Data Management
4. New Developments in Data Collection

Chapter 8 - Recording and Analyzing Property Sales Data

1. Introduction
2. Land Information and Ownership Records
3. Sales Data
4. Cost Data
5. Income and Expense Data
6. Appendix 1: Sample Income Statement Form - Multi-unit commercial and Industrial
7. Appendix 2: Sample Income Statement Form - Apartments

Chapter 9 - Mapping System Management

1. Overview of Cadastral Mapping
2. Land Description and Map Referencing Systems
3. Base Maps
4. Parcel Identification Systems
5. The Use of Computers in Mapping
6. Mapping System Maintenance
7. Summary

Chapter 10 - Management Principles

1. Introduction
2. Perspectives in Management
3. The Manager's Role
4. A Historical Look at Management
5. Planning and Scheduling Tools
6. Budgeting
7. Summary

Chapter 11 - Organizational Structure and Personnel Management

1. Organizational Structure
2. Personnel Management
3. Summary

Appendix 1: Code of Ethics and Standards of Professional Conduct

Chapter 12 - Quality Control, Public Relations, Appeals, and the Public's Right to Know

1. Introduction
2. Quality Assurance and Quality Control
3. Data and Workflow Considerations in Quality Control
4. Valuation and Quality Control
5. Public Relations and Customer Service
6. Managing Appeals
7. Working with the Public's Right to Know
8. Summary

Appendix 1: The Base Home Technique



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Toll-free in Canada: 1 800 661 6490 E-mail: admissions@lakelandcollege.ca