

Date: September 24, 2013

Seminar: The Discounted Cash Flow Model: Concepts, Issues & Applications

7 hours (State & AI Pending)

Time: 9:00 a.m. – 5:00 p.m.

Registration: 8:30 a.m.

AI Members: \$190

Non-members: \$235.00

Instructor: Edward V. Bowler, MAI, SRA

Location: Hudson Gateway Association of Realtors, 9 Coates Drive, Goshen, NY (OCAR)

For Registration: <http://www.appraisalinstitute.org/education/MidHudson.aspx>

Course Description:

This new, one-day seminar focuses on the basic concepts and principles of discounted cash flow valuation and modeling. DCF modeling is a powerful tool when properly used and understood. You will find that it adds value to your appraisal assignments. Developed for participants with varied appraisal backgrounds, this seminar mirrors real-world situations. After completion of the seminar, the handbook, filled with sample problems and examples, will continue to serve as an invaluable desk reference.

At the end of this seminar participants will be able to

- Recognize the three categories of factors driving income property value
- Explain why cash flows are discounted
- Determine present values
- Explain how the DCF model reflects how the market determines value
- Understand the theoretical underpinnings of PV, NPV, and IRR
- Make defensible choices of discount rates
- Apply both blended and cash-flow-specific discount rates to arrive at PV estimates
- Explain the relationship between the discount rate(s) and the timing of expected cash flows
- Recognize the unreliable nature of the occasional inaccurate investment forecast
- Describe basic strategies to minimize the negative impacts of inaccurate investment forecasts

AI CE Credit for Designated members and Candidates for Designation

This program is approved for 1.25 hours of Appraisal Institute CE credit for every hour taken.