# REAL ESTATE ECONOMICS AND VALUATION



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TRAINING CENTER

GENTEX Training Center LLC | Orlando - FL, USA
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# Introduction

Real Estate Economics and Valuation Training Course builds the analytical grounding that property professionals need before they price an asset or recommend a deal. Participants learn how property markets clear, how rents and capital values form, and how cycles move through office, retail, industrial and residential sectors. The programme covers market analysis, rental economics, the three valuation approaches, discounted cash flow, yield analysis, lease valuation and investment appraisal. Furthermore, it addresses development economics, land value, valuation standards and report writing. As a result, delegates can value a property and explain the market logic behind the number. Gentex Training Center delivers the programme through modelling workshops and applied valuation case work.

# Real Estate Economics and Valuation Course Objectives

- Analyse property market supply, demand and rental dynamics.
- Interpret property cycles and their effect on capital values.
- Apply the income, comparison and cost valuation approaches.
- Select and justify capitalisation rates from market evidence.
- Build discounted cash flow valuation models in Microsoft Excel.
- Analyse leases and value income streams, reviews and lease events.
- Apply equivalent yield and weighted average unexpired lease term analysis.
- Appraise property investments using NPV and IRR.
- Apply development appraisal and residual land valuation methods.
- Prepare valuation reports aligned with RICS and IVS standards.

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## Course Methodology

The course combines technical briefings with hands-on Excel workshops and applied valuation case studies. Participants analyse a local market, value an income-producing asset and prepare a valuation report. In addition, structured peer review and case discussion sharpen judgement, and each day closes with an applied valuation task.

## Who Should Take This Course

- Property valuers, appraisers and surveyors.
- Real estate investment and asset management professionals.
- Bank lending officers and credit analysts on property exposure.
- Developers, landlords and property fund staff.
- Corporate finance and treasury professionals with property assets.
- Accountants, auditors and advisers reviewing property valuations.

## Real Estate Economics and Valuation Course Outlines

## Day 1: Property Market Economics and Cycles

- Property as an asset class and its economic characteristics.
- Supply, demand, vacancy and rental adjustment mechanisms.
- Property cycles, overshooting and development lags.
- Sector analysis: office, retail, industrial, residential and hospitality.
- Macroeconomic drivers: interest rates, inflation and employment.
- Market research methods and comparable evidence collection.
- Workshop: analysing a submarket and forecasting rental movement.

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## Day 2: Rental Economics and Lease Analysis

- Rent determination, headline versus effective rent.
- Lease structures: gross, net, graduated, turnover and index-linked.
- Lease events: reviews, break options, renewals and rent-free periods.
- Incentives, capital contributions and their valuation effect.
- Tenant covenant strength and income security.
- Weighted average unexpired lease term and income profile analysis.
- Workshop: analysing a lease and modelling its income stream.

## Day 3: Valuation Approaches and Yield Analysis

- Income approach: capitalisation of net income.
- Comparison approach and adjustment techniques.
- Cost approach and depreciated replacement cost.
- Capitalisation rate derivation and yield analysis.
- Equivalent yield and reversionary yield calculations.
- Hurdle rates, risk premia and market sentiment.
- Workshop: valuing a property using all three approaches.

## Day 4: Discounted Cash Flow and Investment Appraisal

- Discounted cash flow valuation model construction in Excel.
- Rent growth, capital expenditure and exit value assumptions.
- Exit capitalisation rate selection and sensitivity testing.
- NPV, IRR, XIRR and payback for property investments.
- Sensitivity, scenario and break-even analysis on key drivers.

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- Comparing valuation outputs across approaches.
- Workshop: building a property DCF valuation model.

## Day 5: Development Economics, Standards and Reporting

- Development appraisal and residual land valuation.
- Construction cost, finance cost and developer profit calculation.
- Development cash flow and phased scheme appraisal.
- Valuation standards: RICS Red Book and International Valuation Standards.
- Valuation uncertainty, market conditions and disclosure.
- Report writing, assumptions and basis of value.
- Workshop: preparing and presenting a valuation report.

## Conclusion

By successfully completing Real Estate Economics and Valuation Training Course, participants will have acquired the knowledge to read property markets and value assets with evidence. They will understand rental economics, property cycles, valuation approaches, yield analysis, discounted cash flow, investment appraisal and development economics, and they will know how to present a valuation that meets professional standards. As a result, delegates support property decisions with stronger analysis. Gentex Training Center builds the programme around current valuation practice.

## FAQs for the Real Estate Economics and Valuation course

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## Q1 What is the "Real Estate Economics and Valuation" course about?

It covers how property markets work and how assets are valued. You learn supply and demand and property cycles, lease and rental analysis, the income, comparison and cost approaches, yield analysis, discounted cash flow valuation, development appraisal and valuation reporting.

## Q2 What are the key benefits of the "Real Estate Economics and Valuation" course?

You gain the ability to explain a valuation rather than just produce one. You also improve market and rental analysis, select yields from real evidence, test values under sensitivity, appraise development sites, and prepare reports that meet professional and lender standards.

## Q3 What skills will I gain from the "Real Estate Economics and Valuation" course?

You will gain property market economics and cycle analysis, lease and rental income analysis, property valuation using the income, comparison and cost approaches, and discounted cash flow valuation, investment appraisal and development appraisal.

## Q4 What tools, methods, or standards are covered in the "Real Estate Economics and Valuation" course?

The course covers property cycle and market analysis, net effective rent calculation, lease structure and lease event valuation, weighted average unexpired lease term analysis, income capitalisation and net operating income, comparable adjustment techniques, depreciated replacement cost, capitalisation rate, equivalent yield and reversionary yield analysis, discounted cash flow valuation with NPV, IRR, XIRR and payback, sensitivity and break-even analysis, residual land valuation and developer profit on cost, and the RICS Red Book and International Valuation Standards.

## Q5 How is the "Real Estate Economics and Valuation" course applied in real-world practice?

Graduates apply it to carry out market and rental research, value income-producing assets for acquisition, disposal or lending, analyse lease income profiles, select and justify yields, build DCF valuation models, appraise development sites, test valuations for sensitivity and uncertainty, and prepare valuation reports for investors, lenders and auditors.