BUILD YOUR OWN EXAM · EXAM RESULTS REPORT

Income Capitalization — Part II

Reggie

Report prepared November 2, 2026

YOUR SUBSCRIPTION START DATE	YOUR SUBSCRIPTION END DATE	DAYS REMAINING
October 1, 2026	December 31, 2026	59

Exams taken

#	DATE	EXAM	QUESTIONS
1	Oct 1, 2026, 7:41 PM	Reggie_Exam_100126-1	20
2	Oct 3, 2026, 8:18 PM	Reggie_Exam_100326-1	30
3	Oct 6, 2026, 8:55 PM	Reggie_Exam_100626-1	20
4	Oct 8, 2026, 7:41 PM	Reggie_Exam_100826-1	40
5	Oct 10, 2026, 8:18 PM	Reggie_Exam_101026-1	30
6	Oct 13, 2026, 8:55 PM	Reggie_Exam_101326-1	50
7	Oct 15, 2026, 7:41 PM	Reggie_Exam_101526-1	20
8	Oct 17, 2026, 8:18 PM	Reggie_Exam_101726-1	40
9	Oct 20, 2026, 8:55 PM	Reggie_Exam_102026-1	30
10	Oct 23, 2026, 7:41 PM	Reggie_Exam_102326-1	50
11	Oct 27, 2026, 8:18 PM	Reggie_Exam_102726-1	40
12	Oct 30, 2026, 8:55 PM	Reggie_Exam_103026-1	30
13	Nov 1, 2026, 6:41 PM	Reggie_Exam_110126-1	50

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1 Executive summary

On track to pass. The last 3 exams average 83%, above the 70% needed to pass (the first scored 45%).

13	450	68%	90%	90%	7 of 13
exams	questions answered	average	best	latest	passed



Summary of Toolbox Recommendations

Topics needing the most study work

Mortgages: Payment, Balance and Term	42%
Supporting the Discount Rate	44%
Capitalization Review	46%
Components of DCF Analysis	52%
Cash Equivalence and Lender Risk	60%
Forecasting Cash Flows	66%
Equity Valuation	67%
Property Models: Solving for Yield and Value Change	67%
Property DCF Using an Overall Yield Rate	69%

Read these Valuation Papers found in the Toolbox Library

Links to each paper (full version and condensed version) are found on your Build Your Exam page.

1. Six Functions — 6. Installment to Amortize $1
2. Six Functions — 5. Present Value of $1 Per Period
3. Property Models: Developing Rm
4. Cap Rates vs. Yield Rates
5. Yield Rates: And Why You Cannot Average Them
6. Band-of-Investment Cap Rates
7. Extracting a Cap Rate from a Sale
8. Relying on Interviews and Surveys
9. A Single Sale Can Yield More Than One Cap Rate
10. STOP: An Average Cap Rate is WRONG
11. Reserves for Replacement
12. Property Models
13. Property Models: Developing Rb
14. Six Functions — 3. The Sinking Fund Factor

+ 15 more at the end of this report.

The full Toolbox Recommendations, with every Valuation Paper to read and the problems to focus on, are at the end of this report (section 7).

2 The exams in this report

#	DATE	EXAM	QUESTIONS	SCORE	RESULT
1	Oct 1, 2026, 7:41 PM	Reggie_Exam_100126-1	20	9 of 20 · 45%	Below 70%
2	Oct 3, 2026, 8:18 PM	Reggie_Exam_100326-1	30	13 of 30 · 43%	Below 70%
3	Oct 6, 2026, 8:55 PM	Reggie_Exam_100626-1	20	16 of 20 · 80%	Passed
4	Oct 8, 2026, 7:41 PM	Reggie_Exam_100826-1	40	27 of 40 · 68%	Below 70%
5	Oct 10, 2026, 8:18 PM	Reggie_Exam_101026-1	30	17 of 30 · 57%	Below 70%
6	Oct 13, 2026, 8:55 PM	Reggie_Exam_101326-1	50	29 of 50 · 58%	Below 70%
7	Oct 15, 2026, 7:41 PM	Reggie_Exam_101526-1	20	15 of 20 · 75%	Passed
8	Oct 17, 2026, 8:18 PM	Reggie_Exam_101726-1	40	26 of 40 · 65%	Below 70%
9	Oct 20, 2026, 8:55 PM	Reggie_Exam_102026-1	30	22 of 30 · 73%	Passed
10	Oct 23, 2026, 7:41 PM	Reggie_Exam_102326-1	50	36 of 50 · 72%	Passed
11	Oct 27, 2026, 8:18 PM	Reggie_Exam_102726-1	40	35 of 40 · 88%	Passed
12	Oct 30, 2026, 8:55 PM	Reggie_Exam_103026-1	30	21 of 30 · 70%	Passed
13	Nov 1, 2026, 6:41 PM	Reggie_Exam_110126-1	50	45 of 50 · 90%	Passed

13 exams, 450 questions · 7 at or above the 70% needed to pass · average 68%. Each exam is built to the size the student chooses (10, 20, 30, 40, 50 questions).

3 Your scores over time

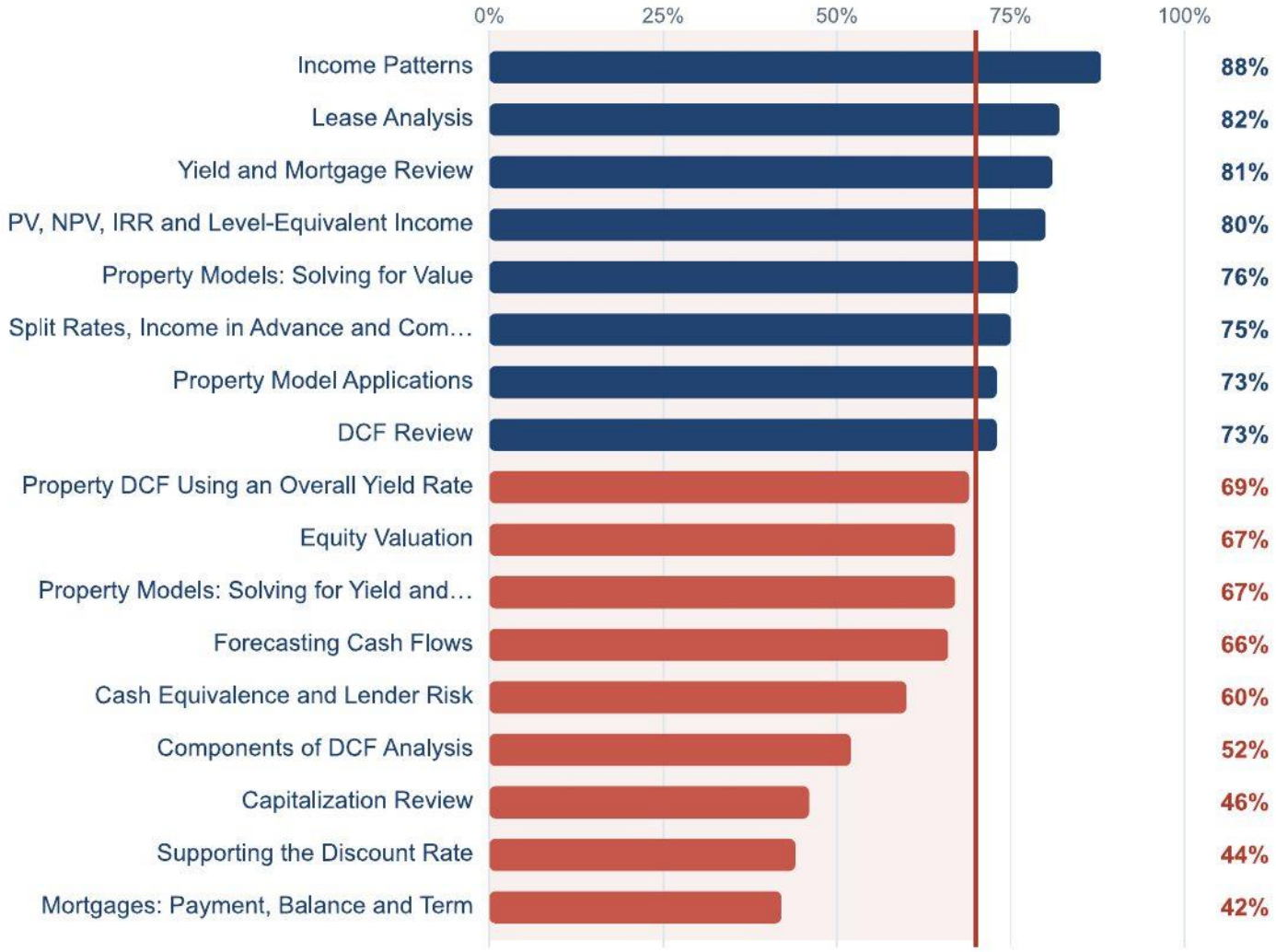
13	68%	90%	90%	7 of 13
exams	average	best	latest	passed



The red line is the 70% needed to pass; the shaded area is below it.

4 Percent correct by topic, best first

Every topic tested, across all 13 exams. Red bars are under the 70% needed to pass.



5 Topics in detail

TOPIC	RIGHT	OVERALL	FIRST	LATEST	EXAMS
Income Patterns	28 of 32	**88%**	50%	100%	13
Lease Analysis	18 of 22	**82%**	50%	100%	12
Yield and Mortgage Review	17 of 21	**81%**	100%	100%	12
PV, NPV, IRR and Level-Equivalent Income	33 of 41	**80%**	0%	100%	12
Property Models: Solving for Value	26 of 34	**76%**	0%	100%	11
Split Rates, Income in Advance and Compounding	24 of 32	**75%**	0%	60%	12
Property Model Applications	30 of 41	**73%**	100%	100%	13
DCF Review	8 of 11	**73%**	0%	100%	11
Property DCF Using an Overall Yield Rate	11 of 16	**69%**	0%	100%	10
Equity Valuation	26 of 39	**67%**	67%	100%	13
Property Models: Solving for Yield and Value Change	14 of 21	**67%**	50%	100%	11
Forecasting Cash Flows	23 of 35	**66%**	75%	100%	12
Cash Equivalence and Lender Risk	18 of 30	**60%**	0%	100%	12
Components of DCF Analysis	11 of 21	**52%**	0%	0%	10
Capitalization Review	11 of 24	**46%**	50%	50%	13
Supporting the Discount Rate	8 of 18	**44%**	0%	67%	8
Mortgages: Payment, Balance and Term	5 of 12	**42%**	100%	100%	12

The mistakes made most often

MISTAKE	TOPIC	TIMES
Used the present-value annuity factor ($a_{\overline{n}}$) instead of $S_{\overline{n}}$	Property Models: Solving for Yield and Value Change	2
Multiplied by the sinking fund factor instead of dividing by it	Property Models: Solving for Yield and Value Change	2
Gave the annual difference (Y − R), not the total change	Property Models: Solving for Yield and Value Change	2
Grew the expenses one year too many (exponent n, not n − 1)	Forecasting Cash Flows	2
Discounted everything at the income rate	Split Rates, Income in Advance and Compounding	2

MISTAKE	TOPIC	TIMES
Gave the whole level payment (Column C) — did not split it	Components of DCF Analysis	1
Forgot to take the loan balance off the reversion	Equity Valuation	1
Left out the reversion	PV, NPV, IRR and Level-Equivalent Income	1
Ignored the value change — capitalized at the yield rate	Property Models: Solving for Value	1
Both: one year too many, and no vacancy	Forecasting Cash Flows	1
Gave the building value only — forgot to add the land	Property Model Applications	1
Left the 12c in BEGIN mode — income treated as received in advance	Supporting the Discount Rate	1
Capitalized the in-place income, not the market rent	Equity Valuation	1
Did not grow the expenses — used the coming year's figure	Forecasting Cash Flows	1
Left out the vacancy and collection loss	Forecasting Cash Flows	1

6 Every question, by topic

Within each topic, highest score first. Shaded rows are under 70%. A written question shows its bank number (M24); a calculation problem gets new numbers each time and is one row however often it came up.

Components of DCF Analysis · 52%

NO.	QUESTION	RIGHT	%
M130	[illegible]	4 of 7	57%
M131	[illegible]	4 of 8	50%
calc.	[illegible]	3 of 6	50%

Forecasting Cash Flows · 66%

NO.	QUESTION	RIGHT	%
M122	[illegible]	6 of 6	100%
calc.	[illegible]	5 of 6	83%
M14	[illegible]	4 of 6	67%
M123	[illegible]	5 of 9	56%
calc.	[illegible]	3 of 8	38%

Property DCF Using an Overall Yield Rate · 69%

NO.	QUESTION	RIGHT	%
calc.	[illegible]	7 of 10	70%
M1	[illegible]	4 of 6	67%

PV, NPV, IRR and Level-Equivalent Income · 80%

NO.	QUESTION	RIGHT	%
M4	[illegible]	6 of 6	**100%**
calc.	[illegible]	5 of 5	**100%**
calc.	[illegible]	3 of 3	**100%**
calc.	[illegible]	3 of 3	**100%**
calc.	[illegible]	4 of 5	**80%**
calc.	[illegible]	4 of 5	**80%**
M13	[illegible]	2 of 3	**67%**
M5	[illegible]	3 of 5	**60%**
calc.	[illegible]	2 of 4	**50%**
M2	[illegible]	1 of 2	**50%**

Split Rates, Income in Advance and Compounding · 75%

NO.	QUESTION	RIGHT	%
calc.	[redacted]	3 of 3	**100%**
M127	[redacted]	2 of 2	**100%**
M3	[redacted]	2 of 2	**100%**
calc.	[redacted]	2 of 2	**100%**
M15	[redacted]	1 of 1	**100%**
M129	[redacted]	6 of 7	**86%**
M126	[redacted]	4 of 6	**67%**
M128	[redacted]	2 of 3	**67%**
calc.	[redacted]	2 of 4	**50%**
calc.	[redacted]	0 of 2	**0%**

Mortgages: Payment, Balance and Term · 42%

NO.	QUESTION	RIGHT	%
M20	[redacted]	5 of 12	**42%**

Cash Equivalence and Lender Risk · 60%

NO.	QUESTION	RIGHT	%
M115	[redacted]	7 of 9	78%
M116	[redacted]	4 of 7	57%
calc.	[redacted]	4 of 7	57%
M117	[redacted]	3 of 7	43%

Yield and Mortgage Review · 81%

NO.	QUESTION	RIGHT	%
calc.	[redacted]	17 of 21	81%

Equity Valuation · 67%

NO.	QUESTION	RIGHT	%
M6	[redacted]	4 of 5	80%
calc.	[redacted]	8 of 11	73%
calc.	[redacted]	6 of 9	67%
M7	[redacted]	5 of 8	63%
calc.	[redacted]	3 of 6	50%

Lease Analysis · 82%

NO.	QUESTION	RIGHT	%
M9	[redacted]	10 of 12	83%
M8	[redacted]	8 of 10	80%

DCF Review · 73%

NO.	QUESTION	RIGHT	%
M16	[illegible]	8 of 11	73%

Income Patterns · 88%

NO.	QUESTION	RIGHT	%
calc.	[illegible]	8 of 8	100%
M17	[illegible]	5 of 5	100%
calc.	[illegible]	3 of 3	100%
M125	[illegible]	6 of 7	86%
M124	[illegible]	6 of 9	67%

Property Models: Solving for Value · 76%

NO.	QUESTION	RIGHT	%
calc.	[illegible]	6 of 6	100%
M10	[illegible]	3 of 3	100%
M22	[illegible]	5 of 6	83%
M12	[illegible]	4 of 5	80%
calc.	[illegible]	3 of 4	75%
M11	[illegible]	3 of 6	50%
M21	[illegible]	2 of 4	50%

Property Models: Solving for Yield and Value Change · 67%

NO.	QUESTION	RIGHT	%
calc.	[redacted]	14 of 21	67%

Property Model Applications · 73%

NO.	QUESTION	RIGHT	%
calc.	[redacted]	8 of 9	89%
M23	[redacted]	6 of 7	86%
calc.	[redacted]	7 of 9	78%
M119	[redacted]	7 of 9	78%
M118	[redacted]	2 of 7	29%

Supporting the Discount Rate · 44%

NO.	QUESTION	RIGHT	%
calc.	[redacted]	3 of 6	50%
M120	[redacted]	3 of 7	43%
M121	[redacted]	2 of 5	40%

Capitalization Review · 46%

NO.	QUESTION	RIGHT	%
M19	[redacted]	7 of 13	54%
M18	[redacted]	4 of 11	36%

7 Toolbox Recommendations

These topics are under the 70% needed to pass, weakest first. Start here:

FOCUS TOPIC	RIGHT	OVERALL
Mortgages: Payment, Balance and Term	5 of 12	**42%**
Supporting the Discount Rate	8 of 18	**44%**
Capitalization Review	11 of 24	**46%**
Components of DCF Analysis	11 of 21	**52%**
Cash Equivalence and Lender Risk	18 of 30	**60%**
Forecasting Cash Flows	23 of 35	**66%**
Equity Valuation	26 of 39	**67%**
Property Models: Solving for Yield and Value Change	14 of 21	**67%**
Property DCF Using an Overall Yield Rate	11 of 16	**69%**

Read these Valuation Papers found in the Toolbox Library

Links to each paper (full version and condensed version) are found on your Build Your Exam page.

PAPER	FOR
Six Functions — 6. Installment to Amortize $1	Mortgages: Payment, Balance and Term
Six Functions — 5. Present Value of $1 Per Period	Mortgages: Payment, Balance and Term
Property Models: Developing Rm	Mortgages: Payment, Balance and Term
Cap Rates vs. Yield Rates	Supporting the Discount Rate
Yield Rates: And Why You Cannot Average Them	Supporting the Discount Rate
Band-of-Investment Cap Rates	Supporting the Discount Rate
Extracting a Cap Rate from a Sale	Supporting the Discount Rate
Relying on Interviews and Surveys	Supporting the Discount Rate
A Single Sale Can Yield More Than One Cap Rate	Capitalization Review
STOP: An Average Cap Rate is WRONG	Capitalization Review
Reserves for Replacement	Capitalization Review
Property Models	Capitalization Review
Property Models: Developing Rb	Components of DCF Analysis
Six Functions — 3. The Sinking Fund Factor	Components of DCF Analysis

PAPER	FOR
The Cash Equivalency Adjustment	Cash Equivalence and Lender Risk
The Definition of Market Value	Cash Equivalence and Lender Risk
How NOI Is Determined	Forecasting Cash Flows
Forecasting Expenses When Occupancy Changes	Forecasting Cash Flows
Overage Rent	Forecasting Cash Flows
Effective Rent	Forecasting Cash Flows
Six Functions — 1. Future Value of $1	Forecasting Cash Flows
Property Models: Developing Re	Equity Valuation
Cap Rates: Your Property Has at Least Five of Them	Equity Valuation
Property Models: Developing R	Property Models: Solving for Yield and Value Change
Property Models: Developing Ro	Property Models: Solving for Yield and Value Change
Six Functions — 2. Future Value of $1 Per Period	Property Models: Solving for Yield and Value Change
Present Value vs. Net Present Value	Property DCF Using an Overall Yield Rate
Six Functions — 4. Present Value of $1	Property DCF Using an Overall Yield Rate
The Time Value of Money: Now Is Better Than Later	Property DCF Using an Overall Yield Rate

Focus on these problems

To practice exactly these: open the Summary of your Exam Results on your Build Your Exam page and click **Practice these problems**. The number (M24) is shown on each written question of every exam.

The questions you are getting wrong most, weakest first. Build an exam on their topics to practice them; a calculation problem comes back with new numbers each time.

NO.	PROBLEM	TOPIC	RIGHT	MOST COMMON MISTAKE
calc.	[illegible]	Split Rates, Income in Advance and Compounding	0 of 2	Discounted everything at the income rate
M118	[illegible]	Property Model Applications	2 of 7	
M18	[illegible]	Capitalization Review	4 of 11	

NO.	PROBLEM	TOPIC	RIGHT	MOST COMMON MISTAKE
calc.	[illegible]	Forecasting Cash Flows	3 of 8	Grew the expenses one year too many (exponent n, not n − 1)
M121	[illegible]	Supporting the Discount Rate	2 of 5	
M20	[illegible]	Mortgages: Payment, Balance and Term	5 of 12	
M117	[illegible]	Cash Equivalence and Lender Risk	3 of 7	
M120	[illegible]	Supporting the Discount Rate	3 of 7	
M131	[illegible]	Components of DCF Analysis	4 of 8	
calc.	[illegible]	Components of DCF Analysis	3 of 6	Gave the whole level payment (Column C) — did not split it
calc.	[illegible]	Equity Valuation	3 of 6	Forgot to take the loan balance off the reversion
M11	[illegible]	Property Models: Solving for Value	3 of 6	
calc.	[illegible]	Supporting the Discount Rate	3 of 6	Left the 12c in BEGIN mode — income treated as received in advance
M21	[illegible]	Property Models: Solving for Value	2 of 4	
calc.	[illegible]	Split Rates, Income in Advance and Compounding	2 of 4	Did not take off the dollar — reported what $100 grows to as the rate

Practice results from The Appraisal Toolbox. They measure practice on the Toolbox's own questions and do not predict a course exam result. Saved exams last as long as the access code; keep this report.