

University of North Carolina at Charlotte
Instructor: Dustin Read
FINN 3261-001 Real Estate Finance
Spring Semester 2007
Monday and Wednesday 12:30 to 1:45 Main Campus

Dustin Read

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Office Hours: Monday and Wednesday 11:00-12:30

Course Description:

This course covers the fundamentals of real estate finance and investment and includes the topics of real estate capital markets, mortgage markets, mortgage securitization, real estate contracts and leases, investment analysis, valuation and appraisal, return and risk considerations, and the effects of debt financing, taxation and government regulation on real estate investment.

Course Objectives:

This course is designed to introduce students to the fundamental concepts of real estate. Students completing the course should gain a better understanding of the factors influencing real estate markets and develop the skills needed to interpret such information when making real estate decisions. The course also emphasizes the interdisciplinary nature of the real estate industry to help students structure their future coursework in the event they are interested in a career in real estate.

Course Material:

REQUIRED:

Real Estate Principles: A Value Approach, by David Ling and Wayne Archer, McGraw-Hill Irwin.

Students will also need a financial calculator capable of discounted cash flow calculations and access to a computer with Excel, Word and Adobe to download class materials and to complete class assignments.

Course Structure:

Class sessions will be composed of lecture, class discussion, and practice problems. Students are expected to complete all assigned readings before class and actively participate in discussions. Lectures will follow the readings in the text, but additional readings may be assigned. Students are responsible for knowing 1) the material presented and discussed in class; 2) the material in the assigned text chapters; and 3) any additional assigned readings.

Codes of Conduct

Students are expected to attend class regularly and excessive absenteeism (more than 2 classes) may result in a grade reduction at the discretion of the Instructor. Policies and procedures related to academic dishonesty can be found in your copy of UNCC's Academic Integrity Code.

Grading and Exams:

Final grades will be based on attendance, class participation, four homework assignments, and the student's performance on four written exams. Students are allowed to drop their lowest exam score, but *no make-up exams will be given*. Grades will be determined according to the weights given below:

Participation/Attendance	5%
Homework	20%
Three Highest Exam Scores	<u>75%</u>
Total	<u>100%</u>

Weighted total points	Grade
90-100	A
80-89	B
70-79	C
69-60	D
Below 60	F

Class Schedule FINN 3261 Spring-2007

Date	Class #	Topic	Reading/Homework
Monday, January 8, 2007	1	Nature of Real Estate and its Markets	Chapter 1
Wednesday, January 10, 2007	2	Real Estate Decisions Overview	Chapter 1&2
Monday, January 15, 2007		No Class-M.L. King Day	None
Wednesday, January 17, 2007	3	Effects of Time and Risk on Value	Chapter 3
Monday, January 22, 2007	4	Effects of Time and Risk on Value Continued	Chapter 3 Homework #1: Chap. 3 Study Questions 1-17
Wednesday, January 24, 2007	5	Legal Foundations	Chapter 4 Homework #1 Due
Monday, January 29, 2007	6	Urban Economics and Urban Markets	Chapter 5
Wednesday, January 31, 2007	7	Urban Economics and Urban Markets Continued	Chapter 5
Monday, February 5, 2007	8	Exam #1	Chapters 1-5 and Assigned Readings
Wednesday, February 7, 2007	9	Government Controls & Taxation	Chapter 6
Monday, February 12, 2007	10	Government Controls & Taxation Continued	Chapter 6
Wednesday, February 14, 2007	11	Market Research	Chapter 7

Monday, February 19, 2007	12	Appraisal	Chapter 8&9
Wednesday, February 21, 2007	13	Appraisal Continued	Chapter 8&9 Homework #2: Chap. 9 Study Questions 1,3, 4,5,6,7,13
Monday, February 26, 2007	14	Appraisal Continued	Chapter 8&9 Homework #2 Due
Wednesday, February 28, 2007	15	Exam #2	Chapters 6-9 and Assigned Readings
Monday, March 5, 2007		No Class-Spring Break	None
Wednesday, March 7, 2007		No Class-Spring Break	None
Monday, March 12, 2007	16	Real Estate Finance: Laws and Contracts	Chapter 10
Wednesday, March 14, 2007	17	Mortgage Mechanics	Chapter 11
Monday, March 19, 2007	18	Mortgage Mechanics Continued	Chapter 11 Homework #3: Chap. 11 Study Questions 1-12
Wednesday, March 21, 2007	19	Residential Real Estate Mortgages	Chapter 12&13 Homework #3 Due
Monday, March 26, 2007	20	Residential Real Estate Mortgages Continued	Chapters 12&13
Wednesday, March 28, 2007	21	Commercial Mortgages	Chapter 14
Monday, April 2, 2007	22	Sources of Commercial Debt and Equity Capital	Chapter 15
Wednesday, April 4, 2007	23	Exam #3	Chapters 10-13 and Assigned Readings
Monday, April 9, 2007	24	Valuing Investment Opportunities	Chapter 16
Wednesday, April 11, 2007	25	Valuing Investment Opportunities Continued	Chapter 16 Homework #4: Chap 16 Study Questions 1-12
Monday, April 16, 2007	26	Property Management	Chapter 17 Homework #4 Due
Wednesday, April 18, 2007	27	Conveying Real Estate	Chapters 18&19
Monday, April 23, 2007	28	Conveying Real Estate Continued	Chapters 18&19
Wednesday, April 25, 2007	29	Contracts	Chapter 20
Monday, April 30, 2007	30	Contracts Continued	Chapter 20
Final Exam-Date and Time to be Determined		Final Exam	Chapters 16-20 and Assigned Readings