

RE A150: REAL ESTATE FINANCE

| Item | Value |
|------------------------------------|-----------------------------------|
| Curriculum Committee Approval Date | 03/23/2022 |
| Top Code | 051100 - Real Estate |
| Units | 3 Total Units |
| Hours | 54 Total Hours (Lecture Hours 54) |
| Total Outside of Class Hours | 0 |
| Course Credit Status | Credit: Degree Applicable (D) |
| Material Fee | No |
| Basic Skills | Not Basic Skills (N) |
| Repeatable | No |
| Grading Policy | Standard Letter (S) |

Course Description

A study of real estate finance, including money and credit sources for mortgage funds, appraisal for finance purposes, financial terms and concepts, appropriate economic and legal aspects. ADVISORY: RE A110. Transfer Credit: CSU.

Course Level Student Learning Outcome(s)

1. Differentiate between the types of lenders and their lending products, and determine which product is most suitable for a particular piece of real estate.
2. Perform basic calculations to qualify a property and borrower for a real estate loan.
3. Describe the legal process of documenting and foreclosing real estate.

Course Objectives

- 1. Describe and differentiate financial institutions involved in real estate transactions.
- 2. Demonstrate the basics of mathematics of finance.
- 3. Define the legal aspects of real estate finance.
- 4. Recognize the importance of the secondary mortgage market.
- 5. Distinguish conventional financing from government assisted financing.
- 6. Recognize the steps in loan processing.
- 7. Explain how take out financing differs from construction financing.
- 8. Recognize and discuss the foreclosure process.

Lecture Content

• Money and Real Estate • Mortgages and Mortgage Instruments • Alternative Mortgage Instruments • Mortgage Lenders - Institutional (Primary) Lenders Definition Intermediation and disintermediation Amount of mortgage debt Distribution of debt by lenders Savings and loan associations Commercial banks Life insurance companies Mutual savings banks • Community Reinvestment • Noninstitutional Lenders • Programs of HUD-FHA • Other Government Programs • Conventional Loans and Private Mortgage Insurance • The Secondary Market • Qualifying the Property • Borrower Qualification • Loan Processing and Underwriting • Loan Closing • Creative Financing

Methods • Construction Financing • Introduction to Financing Investment Properties

Method(s) of Instruction

- Lecture (02)
- DE Online Lecture (02X)

Instructional Techniques

Current newspaper and regular periodicals brought by students will bring the real world into classroom; class discussion and traditional lectures will be conducted

Reading Assignments

Essay-type questions, including case studies, will be posed to students

Writing Assignments

Essay-type questions, including case studies, will be posed to students

Out-of-class Assignments

Essay-type questions, including case studies, will be posed to students

Demonstration of Critical Thinking

Examinations will include objective questions, essay questions, and case studies

Required Writing, Problem Solving, Skills Demonstration

Examinations will include objective questions, essay questions, and case studies

Textbooks Resources

1. Required Huber, W. Zozula, W.. Real Estate Finance and Loan Brokering, ed. Educational Textbook Company, 2021 Rationale: - 2. Required Dorsey, D. Rockwell, D.. Financing Residential Real Estate, 20th ed. Rockwell Publishing, Inc., 2020