

FINN 3261
Real Estate Finance
Spring Semester, 2019

Professor: Sean Brunson
Office: Friday Building Room 388
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Class: Tuesday, 5:30-8:15 pm, Friday Building Room 130
Office Hours: Tuesday, 4:00-5:00 pm, and by appointment
Textbook: Brueggeman and Fisher, *Real Estate Finance and Investments*, 16th edition

Course Description

This course covers the basics of real estate finance and investments. Topics include legal concepts, time value of money, mortgages, residential housing, and income property investments. The goal of this course is to provide the student with the opportunity to develop the skills needed to understand and analyze the risk and rewards of residential and commercial real estate.

Course Objectives

- To understand the basic legal concepts of real estate such as property rights
- To develop the skills to understand, value, and analyze various mortgages and their associated risks
- To understand the underwriting and home buying process
- To develop the skills to analyze income producing properties for investment opportunities

About this Syllabus

This syllabus is our class contract. It clearly states the requirements this class places on both you and me, and I will not change the conditions of this contract during the class. This is done to insure fairness and consistency among all members of the class. By staying in this class, you accept the conditions of this contract and agree not to ask me for exceptions to the syllabus.

Academic Integrity

All students in this class must comply at all times with University policies on academic integrity. Any student violating these policies, as defined in the Graduate Catalog, will be referred to the University administration for disciplinary action. Sanctions for academic dishonesty include, but are not limited to, receipt of an F in this course, suspension, or expulsion from the University.

Diversity

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

Electronic Communications

I will maintain a Canvas site for this class. I will place material and information on this site during the course of the semester. I will maintain a “question archive” on my site. When students send me an e-mail with questions about the class, I will post both their question and my reply on the web site. I will, of course, remove any information that would identify the student asking the question prior to posting the question. Further, if you wish for me not to post your question just let me know when you send me the e-mail. In the past I have found that this question and answer archive is very useful to students in the class.

Grading Policies

There will be four mid-term exams and one *cumulative* final exam. I will drop the lowest mid-term exam. This means each exam will count for 20% of your grade. The cumulative final will count for the remaining 40% of your grade. The dates for the tests are firm. **Make up exams will not be administered under any circumstances.**

Grading Scale

<u>Letter Grade</u>	<u>Weighted Average*</u>
A	≥ 90
B	[80, 89]
C	[70, 79]
D	[60, 69]
F	≤ 59

- * **Example:** A student receiving a 75%, 80%, 94%, and 85% on exams 1-4 and an 87% on the final exam would have an overall weighted-average percentage of $0.2 * (0.80 + 0.94 + 0.85) + (0.4 * 0.87) = 86.6\%$ and would receive a letter grade of B.

Title IX Reporting Obligations

UNC Charlotte is committed to providing an environment free of all forms of discrimination and sexual harassment, including sexual assault, domestic violence, dating violence, and stalking. If you (or someone you know) has experienced or experiences any of these incidents, know that you are not alone. UNC Charlotte has staff members trained to support you in navigating campus life, accessing health and counseling services, providing academic and housing accommodations, helping with legal protective orders, and more.

Please be aware that many UNC Charlotte employees, including all faculty members, are considered Responsible Employees who are required to relay any information or reports of sexual

misconduct they receive to the Title IX Coordinator. This means that if you tell me about a situation involving sexual harassment, sexual assault, dating violence, domestic violence, or stalking, I must report the information to the Title IX Coordinator. Although I have to report the situation, you will still have options about how your case will be handled, including whether or not you wish to pursue a formal complaint. Our goal is to make sure you are aware of the range of options available to you and have access to the resources you need.

If you wish to speak with someone confidentially, you can contact any of the following on-campus resources, who are not required to report the incident to the Title IX Coordinator: (1) University Counseling Center (counselingcenter.uncc.edu, 7-0311); (2) Student Health Center (studenthealth.uncc.edu, 7-7400); or (3) Center for Wellness Promotion (wellness.uncc.edu, 7-7407). Additional information about your options is also available at titleix.uncc.edu under the “Students” tab.

Disability Accommodations

UNC Charlotte is committed to access to education. If you have a disability and need academic accommodations, please provide a letter of accommodation from Disability Services early in the semester. For more information on accommodations, contact the Office of Disability Services at 704-687-0040 or visit their office in Fretwell 230.

Tentative Schedule

The following readings and dates are tentative, the test dates are firm, however, and will not be changed. You are expected to have read the material prior to coming to class.

Date	Topic	Chapter
January 15	Legal Concepts: <ul style="list-style-type: none"> • Property Rights • Mortgages 	1-2
January 22	Time Value of Money	3
January 29	Exam 1	
February 5	Mortgages: <ul style="list-style-type: none"> • Fixed 	4
February 12	Mortgages: <ul style="list-style-type: none"> • Adjustable • Floating Rate 	5
February 19	Mortgages: <ul style="list-style-type: none"> • Decision Making 	6
February 26	Exam 2	
March 4 – 9	Spring Break	
March 12	Residential Housing	7
March 19	Underwriting Process	8
March 26	Exam 3	
April 2	Income Producing Properties: <ul style="list-style-type: none"> • Supply/Demand relationships • Location analysis 	9
April 9	Income Producing Properties: <ul style="list-style-type: none"> • Estimate market value 	10
April 16	Exam 4	
April 23	Income Producing Properties: <ul style="list-style-type: none"> • Investment analysis 	11
April 30	Income Producing Properties: <ul style="list-style-type: none"> • Investment analysis 	12
May 7	Final Exam (5:00-7:30 pm)	