

REE 4204: Real Estate Finance

Spring 2020 - Online (CRN 13359)

Lutgert College of Business

Department of Economics and Finance

Course Description

This course covers the theory and practice of financial analysis for the acquisition and development of real estate assets for consumption and investment purposes. Topics include legal concepts in real estate lending, the underwriting process, sources of funds, secondary mortgage market operations, and government policies and programs affecting the residential and commercial real estate debt capital markets. The course provides a professional-level understanding of the institutions and instruments used to finance residential and commercial real estate. *Prerequisites: Junior standing; REE 3043 or FIN 3403 or permission of the instructor.*

Delivery Method

- ❖ This course is delivered 100% online (asynchronously) via Canvas. Google Chrome is the recommended browser. Online courses tend to require great student effort to manage their time well to learn at the pace and depth expected by the instructor. There will be some video clips that introduce concepts and demonstrate certain analysis techniques, but much of the learning will come from reading and analyzing information in search of solutions to problems in decision-making situations.
- ❖ The course is designed around weekly Modules that begin on Tuesdays and end on Mondays. Once a Module opens on Tuesday, I will rarely (if ever) add new graded items. Hopefully, this policy will help you plan your week by knowing exactly what is due, when it is available to complete, and when it is due.
- ❖ Most Modules have graded items due on Friday (available to begin on Tuesday) and other graded items due on Monday (available to begin on Saturday). Additional graded and non-graded items with specific due dates may be included in some Modules.
- ❖ The anticipated schedule for the Modules, including anticipated assignments, due dates, etc. are provided in the Canvas site for the course. The anticipated Module schedule is subject to change at the discretion of the instructor as the course proceeds.
- ❖ The course also includes two assignments that are not tied to specific modules. Instead, they have their own due dates. These assignments are an Excel Certification Program and a book assessment. Their due dates are shown in Canvas.

Instructional Objectives

- ❖ The objectives of this course are to expose students to useful theory and tools for analyzing real estate financing situations, assist students in becoming better-informed real estate decision makers, and prepare students for long-term career success as participants in the real estate industry.
- ❖ This course is “Excel heavy” by design. We will not be using financial calculators, though you may use them to check your work in Excel until you feel comfortable working strictly with Excel. Business students without Excel proficiency may find professional employment difficult to attain.

Learning Goals Addressed

- ❖ Effective Communications: written reports and oral presentations
- ❖ Problem Solving: problem sets and case studies
- ❖ Technology: Excel proficiency

Accreditation Learning Goal	Learning Objective	Performance Measure
Critical thinking & problem solving	Solve business problems using critical thinking skills	Solve and present results to quantitative business problems

Instructor Information

- ❖ Instructor: Professor Tim Allen, Ph.D., CCIM
- ❖ E-Mail: Please use FGCU Canvas discussion boards and messaging rather than email communications
- ❖ Office Hours: 2301 Lutgert Hall, by appointment on Tuesdays and Thursdays, 10:30 am – 12:00 pm
- ❖ Office Phone: (239) 590-7321
- ❖ Mobile Phone: (863) 599-2595 (texts preferred rather than calls or voicemail)

Required Resources

- ❖ Access to on Canvas, ExPrep, and McGraw-Hill Connect with Ebook for *Real Estate Finance & Investments*, 16th edition, Brueggeman and Fisher.
 - If you are not familiar with Canvas, explore the Student Demonstration Course using the “Help” link on the left side of the Canvas site for this course.
 - The ExPrep Platform has two tools that will be used in this course.
 - The first tool is a Proficiency Certification that must be completed in the first 3 weeks of the semester. This tool must be downloaded and installed as an add-in to Excel on a Windows computer not an Apple computer.
 - The second tool is an Excel spreadsheet grading tool that is compatible with both Windows and Apple computers. For Excel-based assignments, each student must download a user-specific template and upload the completed template to their ExPrep account for grading. Students must purchase access to the ExPrep Platform using the information provided in Canvas.
 - McGraw-Hill Connect is a web-based tool that contains an Ebook version of the reference textbook for the course. This tool will be used frequently in this course for practice quizzes and other purposes. Students must purchase an access code from the bookstore or from the McGraw-Hill Connect link provided in Canvas.
- ❖ Access to Word, Excel, PowerPoint, Adobe PDF Reader
- ❖ Access to a video recording device using Kaltura through Canvas (a cheap webcam works fine).
- ❖ Access to a free video conferencing account through zoom.com
- ❖ Access to one of the approved books related to real estate finance for the book assessment assignment detailed in Canvas (most are available from the FGCU library).

Attendance Policy

- ❖ Students are expected to complete all items as scheduled in the course Modules.

“Late” and “Makeup” Work Policies

- ❖ No “late” or “makeup” work will be accepted. The “drop” policies below are intended to address unanticipated events that may interfere with students’ completing work as assigned.

Assessment Activities and Grading Policies

- ❖ Assessment activities and their weightings for final grades are as follows:
 - Practice Quizzes in Connect (dropping 1) 5%
 - Graded assignments, quizzes, discussion posts, etc. (dropping 1) 50%
 - Exams (4 exams, dropping 1, Exam 4 is comprehensive) 30%
 - Graded Clarification Station discussion board posts (dropping 1) 10%

- Book Assessment (written report and video presentation) 5%

- ❖ Each student's weighted average score (rounded to the nearest whole number) will determine the letter grade received at the end of the semester according to the following scale.

Letter Grade	Average	Letter Grade	Average
A	93	C	73
A-	90	C-	70
B+	87	D+	67
B	83	D	63
B-	80	D-	60
C+	77	F	below 60

Course Communication Plan

- ❖ The FGCU Canvas system is the primary medium for communications in this course.
- ❖ Using the "Account" icon at the top left of the Canvas screen, set your notification preferences to allow immediate notifications to either your email, phone, or the Canvas phone app.
- ❖ Each Module has a "Clarification Station" discussion thread in Canvas where students are encouraged to ask questions, answer questions, put forth opinions, or anything else related to the course material in audio, video, or text format. Participation is required and graded in most Clarification Stations.
- ❖ The instructor will typically check for new posts in Clarification Stations each morning and evening on non-holiday weekdays. **Clarification Stations (not email) are the appropriate mechanism to ask questions or make comments to the instructor and your classmates about the course material.**
- ❖ All posts to Clarification Stations are available to everyone in the course to see, thus allowing everyone to benefit from these communications. Do not use regular email to communication with the instructor.
- ❖ Use the "Conversation" a.k.a. "Inbox" tool in Canvas for personal communications with the instructor that should not be shared with everyone in the class. Do not use regular email to communicate with the instructor.
- ❖ If a student sends a communication to the instructor using "Conversation" or regular email that instead should be posted in a Clarification Station, the instructor will likely ignore the communication until it is posted in a Clarification Station so other students can potentially benefit from the communication.

Technology Problems

- ❖ If a system error occurs within Canvas, ExPrep, or Connect near the due date for a graded activity that results in a student not being able to complete a graded assignment on time, the student must notify the instructor of the date and time of the issue and the assignment involved. The instructor will verify the problem with the service provider and notify the student of a solution.
- ❖ Students are responsible for resolving technology problems that may arise. The instructor provides no technical support for hardware or software.

Additional Comments/Advice

- ❖ As a general rule throughout this course, never round a number except in a final answer. Rounding errors can cost you points!
- ❖ The instructor's primary tasks in this course are:
 - To facilitate a positive and rich learning experience by providing a course structure that guides students through the material.
 - To evaluate students' abilities to retain and express their understanding of the material through graded learning assessments.
- ❖ The burden of learning ultimately rests squarely on students' shoulders.
- ❖ Students should make every effort to stay on top of the material and not get behind. This is especially important in an online class.

- ❖ Students should not expect to do well in this course if their lives are overloaded with work, social activities, other courses, etc.
- ❖ Students who find themselves in need of additional assistance in understanding any of the concepts discussed in the course should notify the instructor as soon as possible. The instructor is here to help students learn!
- ❖ **Use the Clarification Stations as substitutes for office hours and in-class questions.**

University Required Statements

Academic Behavior Standards and Academic Dishonesty

All students are expected to demonstrate honesty in their academic pursuits. The university policies regarding issues of honesty can be found in the FGCU Student Guidebook under the Student Code of Conduct and Policies and Procedures sections. All students are expected to study this document which outlines their responsibilities and consequences for violations of the policy. The FGCU Student Guidebook is available online at <http://studentservices.fgcu.edu/judicialaffairs/new.html>

University Nondiscrimination Statement

Florida Gulf Coast University is committed to ensuring equity and fairness for all University employees, students, visitors, vendors, contractors and other third parties. As such, the University prohibits discrimination on the bases of race, color, national origin, ethnicity, religion, age, disability, sex (including sexual harassment/assault), gender identity/expression, marital status, sexual orientation, veteran status or genetic predisposition with regard to admissions, employment, programs or other activities operated by the University. This prohibition extends to enforcement of Title IX of the Education Amendments of 1972. Questions or complaints should be directed to the Office of Institutional Equity and Compliance (OIEC). The OIEC's phone number is (239)745-4366; the OIEC email address is OIEC@fgcu.edu.

Mental Health Resources

Counseling and Psychological Services (CAPS) provides free counseling and therapy services (including psychiatry) to all FGCU students. Please walk in to the second floor Howard Hall office any weekday between 8:30 and 4:30 to schedule an initial contact appointment. Visit the CAPS website at <https://www2.fgcu.edu/caps> for more information. CAPS offers a 24/7 Helpline at (239) 745-3277 (EARS).

Disability Accommodations Services

Florida Gulf Coast University, in accordance with the Americans with Disabilities Act and the university's guiding principles, will provide classroom and academic accommodations to students with documented disabilities. If you need to request an accommodation in this class due to a disability, or you suspect that your academic performance is affected by a disability, please see me or contact the Office of Adaptive Services. The Office of Adaptive Services is located in the Wellness Building. The phone number is 239-590-7956 or Video Phone (VP) 239-243-9453. In addition to classroom and campus accommodations, individuals with disabilities are encouraged to create their personal emergency evacuation plan and FGCU is committed to providing information on emergency notification procedures. You can find information on the emergency exits and Areas of Rescue Assistance for each building, as well as other emergency preparedness materials on the Environmental Health and Safety and University Police Department websites. If you will need assistance in the event of an emergency due to a disability, please contact Adaptive Services for available services and information.

Student Observance of Religious Holidays

All students at Florida Gulf Coast University have a right to expect that the University will reasonably accommodate their religious observances, practices, and beliefs. Students, upon prior notification to their instructors, shall be excused from class or other scheduled academic activity to observe a religious holy day of

their faith. Students shall be permitted a reasonable amount of time to make up the material or activities covered in their absence. Students shall not be penalized due to absence from class or other scheduled academic activity because of religious observances. Where practicable, major examinations, major assignments, and University ceremonies will not be scheduled on a major religious holy day. A student who is to be excused from class for a religious observance is not required to provide a second party certification of the reason for the absence.

Canvas Tutorial and Distance Learning

A Canvas tutorial and other distance learning information are available online at <http://canvas.fgcu.edu/> and <http://itech.fgcu.edu/distance/>.

Library Resources

Main page: <http://library.fgcu.edu/>; Tutorials & Handouts: <http://library.fgcu.edu/RSD/Instruction/tutorials.htm>;
Research Guides: <http://fgcu.libguides.com/>

Verification of Attendance in Canvas (VAC)

All faculty members are required to use a Canvas activity to confirm a student's attendance for each course by the end of the first week of classes. Failure to do so will result in a delay in the disbursement of students' financial aid. *The confirmation of attendance is required for all students, not only those receiving financial aid.*