

COURSE SYLLABUS
SOUTHEAST MISSOURI STATE UNIVERSITY

Department of **Economics and Finance**
Title of Course: **Real Estate Principles**

Course No. **FI365**
Revision **Spring 2012**

I. Catalog Description and Credit Hours of Course:

Study of the nature of real estate and its ownership. The course is a survey of real estate topics that includes fundamental principles of real estate investment, appraisal, mortgage finance, and development. (3)

II. Prerequisite(s): Junior Standing and FI361.

III. Purposes or Objectives of the Course:

- A. To provide the student with a background in the fundamental principles of real estate investment, appraisal, mortgage finance, brokerage and development.
- B. To build on University Studies objectives:
 - 1. Demonstrate ability to locate and gather information
 - 2. Demonstrate ability to make informed, intelligent value decisions
 - 3. Demonstrate capabilities for critical thinking, reasoning and analyzing
 - 4. Demonstrate ability to integrate the breadth and diversity of knowledge and experience

IV. Student Learning Outcomes

Upon completion of this course, students should be able to:

- A. Explain the legal background of real estate, personal property vs. real property, bundle of rights, deed, zoning, eminent domain, property taxes, legal description of real estate.
- B. Explain real estate appraisal-Sales Comparison, Cost and Income Approach to Value
- C. Explain fixed rate, adjustable rate, APR, discount points, prepayment penalties, partial amortization, home equity loans-blended rates, loan compliance, commercial mortgages, Real Estate Investment, tax implications.

V. Expectations of Students:

- A. To demonstrate an understanding of the fundamental principles of real estate activities.
- B. To solve real estate problems using the computer and handheld calculator.

**VI. Course Content:
SUGGESTED TIME IN**

50 MINUTE

PERIODS

Property Description and Public Records

Real Property Rights and Interests
Governmental Limitations to Ownership
The Investor-Broker Relationship
Property Development Process
Land Development
Spatial Economics and Urban Structure

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Overview of the Appraisal Process

Income-Property Analysis and Appraisal
Appraising For Single Family Properties
Advanced Appraisal Topics

12

Mechanics of Fixed Rate Mortgage Financing
Debt And Equity Financing of Real Estate
Financing Home ownership
Mortgage Underwriting

12

Value Analysis
Real Estate Investment Environment
Basic Valuation Concepts
Federal Taxes Affecting Real Estate
Real Estate Investment Analysis
Disposition/Alienation Decisions
Administrative and Property Management Issues

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VII. Textbook(s) and/or Other Required Materials or Equipment:

- A. Real Estate Principles, 3rd ed. by David Ling and Wayne Archer.
- B. Handheld calculator.

VIII. Basis for Student Evaluation:

- A. Performance level on exams, quizzes, homework, papers, computer assignments.