

PELLISSIPPI STATE TECHNICAL COMMUNITY COLLEGE  
MASTER SYLLABUS

**REAL ESTATE FINANCE**  
**REA 1300**

**Class Hours: 2.0**

**Credit Hours: 2.0**

**Laboratory Hours: 0.0**

**Date Revised: Spring**  
**00**

NOTE: This course is not designed for transfer credit.

**Catalog Course Description:**

Basic sources of lending for residential and income property, including FHA, VA, and conventional loans. Sources of commercial loans for income property. Current events and trends of real property.

**Entry Level Standards:**

The student should have an interest in the field of Real Estate and minimum college level achievement levels in mathematics, reading, and English.

**Prerequisites:**

None

**Textbook(s) and Other Reference Materials Basic to the Course:**

*Real Estate Finance*, Bruggeman and Stone, latest edition, Irwin.  
*Essentials of Real Estate Finance*, Sirota. Real Estate Education Company, latest edition.

**I. Week/Unit/Topic Basis:**

<b>Week</b>	<b>Topic</b>
1	Legal Nature of Real Estate Mortgages
2	Kinds and Special Forms of Mortgages
3	Mortgages Default and Adjustments
4	Land Contracts, Leases, and Land Trust Certificates
5	Validation of Title
6	The Interest Factor in Financing
7	Mortgage Loans: Payment Patterns and Effective Borrowing Costs
8	Financing Residential Properties
9	Alternative Mortgage Instruments
10	Valuation of Income Properties

## II. Course Objectives\*:

- A. Understand the fundamentals of mortgages, including legal aspects and provisions for default and foreclosure. I,II
- B. Calculate various costs associated with purchasing real estate. I,II,IV
- C. Recall various governmental regulations concerned with the different types of loans available. I,II,IV

\*Roman numerals after course objectives reference goals of the Business and Community Services department.

## III. Instructional Processes\*:

Students will:

- 1. Use electronic mail to correspond with the instructor and other students enrolled in the course. *Communication Outcome, Technological Literacy Outcome*
- 2. Carry out course assignments such as team discussions; team case studies; team projects; experiential exercises; oral, written, PowerPoint, and/or email presentations; Internet research, etc. that help to develop a respect for diversity. *Communication Outcome, Personal Development Outcome, Cultural Diversity & Social Adaptation Outcome, Information Literacy Outcome, Transitional Strategy, Active Learning Strategy*
- 3. Take part in course assignments such as team discussions; team case studies; team projects; experiential exercises; oral, written, PowerPoint, and/or email presentations; Internet research; etc. to help develop teamwork, leadership, and followership skills. *Communication Outcome, Personal Development Outcome, Cultural Diversity & Social Adaptation Outcome, Information Literacy Outcome, Transitional Strategy, Active Learning Strategy*
- 4. Practice elements of the work ethic such as professionalism, preparedness, punctuality, honesty, cooperation, dependability, contribution, effectiveness, and good manners. *Personal Development Outcome, Transitional Strategy*

\*Strategies and outcomes listed after instructional processes reference Pellissippi State's goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the classroom, and encouraging students to take active and responsible roles in the educational process.

## IV. Expectations for Student Performance\*:

Upon successful completion of this course, the student should be able to:

- 1. Understand the mortgage instrument, its legal nature, its special kinds, and its provisions in case default. A
- 2. Understand the nature of property title. A
- 3. Determine monthly payments and an amortization chart. B
- 4. Perform compounding and discounting. B
- 5. Determine closing costs. B
- 6. Determine actual borrowing costs, including interest, plus additional costs and discounts. B

7. Finance residential properties with FHA, VA, and conventional loans, commercial loans, and construction loans, together with local sources of these loans, and their costs, terms, and conditions. C
8. Understand the relationship between real estate appraising and real estate financing. A

\*Letters after performance expectations reference the course objectives listed above.

## **V. Evaluation:**

### A. Testing Procedures:

Two examinations, to be multiple choice and true/false, with the midterm examination to count 33 1/3% and the final examination to count 66 2/3%. Attendance and classroom discussion to have an influence.

### B. Laboratory Expectations:

N/A

### C. Field Work:

N/A

### D. Other Evaluation Methods:

N/A

### E. Grading Scale:

100 - 92	A
91 - 82	B
81 - 72	C
71 - 65	D
Below 65	F

## **VI. Policies:**

### A. Attendance Policy:

Pellissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 80 percent of their scheduled class and laboratory meetings in order to receive credit for the course.

### B. Other Policies:

Students wishing to use this class to meet pre-licensing requirements of the Tennessee Real Estate Commission must attend all class meetings or make arrangements with the instructor to make up time and work missed. (TREC, Rule 1260-5-03)