

**Real Estate FIN 331-001
Fall 2020**

Instructor: Dr. David P. Echevarria	Meeting times: Tu-Th 9:30 to 10:45 AM
Office Hours: Tu-Th 11 -11:45 AM; 2 - 3PM	Meeting room: CH212
Other Times: By Appointment	Email: echevarriad@uncw.edu
Office: Cameron 240-I	Office Phone: 962-3512

I. **Text: Real Estate Principles, a Value Approach. Ling and Archer, 5th Edition, 2017.**

II. **Course Objectives:**

The primary objective of this course will be to extend a student's basic awareness of real estate to a broad appreciation of real estate ownership, real estate value and the purchase and sale of varied interests in real estate. This objective will be pursued with a review of the fundamentals of finance as they apply to real estate. We extensively examine real estate law and property rights. A casual review of varied real estate investments will be conducted. We will consider inefficiencies in real estate vs. capital market investments and trends in real estate towards greater efficiency. We wish to establish with this class a basic understanding of the principles of property ownership and practices in the real estate industry; these practices relate to the appraisal, sale, control and financing of real estate investments. The course will include examinations of selected properties and will briefly review career opportunities in real estate. Pre-Req. ECN 222 (Macro Economics)

III. **Teaching Method and Performance Evaluation:**

Classes will consist of both lectures and discussion. Topics covered in the textbook and illustrated in publications such as Barron's and The Wall Street Journal will be considered. Textbook readings and problems assigned should be reviewed prior to the class in which the material is presented. Questions and comments in class are strongly encouraged. Attend every class. If sufficient time is spent preparing (allow at least 3 to 5 hours per week outside the classroom), the objectives of the course can be achieved. I am always available for assistance by appointment or by email (preferred).

IV. **Student Responsibilities:**

Students should bring the textbook, all handouts and a financial calculator to class. The Texas Instruments BA-II Plus or the TI-83/84 will be used in classroom discussions, but students are free to use any financial calculator. A portion of the student's grade is a function of class participation. As the term develops, students will be called upon to support the discussion.

The examination and class schedule follow. Make-up exams will not be given without a valid excuse per University policy.

Evaluation of student performance will be based on class participation and the three phase exams. Refer to the syllabus for examination schedules. It is acknowledged that students may have conflicts from time to time. Accordingly, it is the **responsibility of the student to make prior arrangements** for taking phase exams at other than the scheduled time.

Calling the day of the exam is not considered to be sufficient time. It is not easier to seek forgiveness in this class. The better strategy is to plan ahead to keep your head.

The instructor retains the right to alter the syllabus based on progress and/or current events. Students are advised to check their UNCW email regularly.

V. Grading:

Grades will be assigned as follows:

A	92-100	A-	90-91.9
B+	88-89.9	B	82-87.9
B-	80-81.9	C+	78-79.9
C	72-77.9	C-	70-71.9
D+	68-69.9	D	62-67.9
D-	60.61.9	F	anything below 60

FIN 331 weights assigned as follows:

Exams (3)	85%	(25%, 30%, 30%)
Homework	10%	
Attendance	<u>5%</u>	
Total	100%	

VI. General Notes:

1. Students are required to answer the questions found at the end of each set of lecture notes. Start early! Keep up! Attend class - I frequently take attendance; Excessive absences (more than 2) will be penalized 1 point for each additional absence.

2. As a student at UNCW, you are pledged to uphold and support the UNCW Student Academic Honor Code: The University of North Carolina Wilmington is a community of high academic standards where academic integrity is valued. UNCW students are committed to honesty and truthfulness in academic inquiry and in the pursuit of knowledge. This commitment begins when new students matriculate at UNCW, continues as they create work of the highest quality while part of the university community, and endures as a core value throughout their lives. Guidelines in support of the Honor Code, including definitions of cheating and plagiarism, may be found at:
http://www.uncw.edu/policies/documents/03_100FINALHONORCODE_Aug2009.pdf

3. University Learning Center: Need Help? The University Learning Center's (ULC) mission is to help students become successful, independent learners. ULC services are free to all UNCW students and include the following:

- o Learning Services (University Studies)
<http://www.uncw.edu/ulc/learning/index.html>
- o Math Services <http://www.uncw.edu/ulc/math/index.html>
- o Study Sessions <http://www.uncw.edu/ulc/includes/StudySessions.html>
- o Supplemental Instruction <http://www.uncw.edu/ulc/si/index.html>
- o Writing Services <http://www.uncw.edu/ulc/writing/index.html>

VII. COURSE PLAN OUTLINE: FIN 331-001 FALL 2020

To maintain progress, it is imperative that you read required materials prior to class. Homework Assignments are at the end of each PowerPoint lecture.

Dates	TUESDAY	THURSDAY
Aug 20	////////////////////////////////////	Introduction: What is this course about? Homework: Read Chapter 1
Aug 25, Aug 27	Chapter 1: Nature of Real Estate Basic Definitions	Chapter 1: Real Estate & US Economy Homework: Read Chapter 2
Sep 1 Sep 3	Chapter 2: The Nature of property, Ownership Forms	Chapter 2: Property as Bundle of Rights. Homework: Read Chapter 3
Sep 8, Sep 10	Chapter 3: Modes of Conveyance, Types of Deeds	Chapter 3: Property Descriptions, Records. Homework: Read Chapter 4
Sep 15, Sep 17	Chapter 4: Government Regulatory Oversight, Zoning.	Chapter 4: Eminent Domain, Property Taxation. Homework: Read Chapter 5
Sep 22, Sep 24	Chapter 5: Determinants of Value Homework: Read Chapter 7	1st Midterm Exam Review. Chapters 1 - 5
Sep 29, Oct 1	1st Midterm Exam: Chapters 1 - 5	Chapter 7: Valuation – Sales “Comps” vs. Cost Approach Read Chapter 8
Oct 6, Oct 8	Chapter 8: Valuation Using the Income Approach. Read Chapter 9	Chapter 9: Real Estate Finance. Contract Law. Read Chapter 10
Oct 13, Oct 15	Chapter 10: Residential Mortgages and Borrower Decisions. Read Ch. 11	Chapter 11: Sources of Funds - Residential Mortgages. Read Ch. 12
Oct 20, Oct 22	Chapter 12: Brokerage & Listing Contracts. Read Chapter 13	Chapter 13: Contracts for Sale & Closing. Read Chapter 15
Oct 27, Oct 29	Chapter 15: Mortgage Calculations Financial Calculator. Read Ch. 16	2nd Midterm Exam Review. Chapters 7 -13
Nov 3 Nov 5	2nd Midterm Exam: Chapters 7 -13	Chapter 16: Commercial Mortgages Alternatives. Read Chapter 18
Nov 10, Nov 12	Chapter 18: Investment Decision Ratios. Read Chapter 19	Chapter 19: Investment Decision Rules: NPV – IRR. Read Chapter 20
Nov 17, Nov 19	Chapter 20: Income Taxation; Classes of Real Property. Read Ch. 22	Chapter 22: Leases and Property Types
Nov 24, Nov 26	Review for Final Exam: Chapters 15 – 20, 22 (Excl. Ch. 17)	THANKSGIVING BREAK
Dec 1 8-11 AM	Final Exam: Chapters 15, 16, 18-20, 22	//////////////////////////////////// ////////////////////////////////////

The instructor reserves the right to make changes in this schedule as situations or needs arise. Emails will advise students of any alterations to the above schedule.

VIII. Covid 19 Guidelines

- A. **GENERAL:** Following CDC Guidelines, UNC System directives, and out of mutual respect as outlined in the UNCW Seahawk Respect Compact, all faculty, staff, and **students will wear face coverings while inside buildings**. Students who are unprepared or unwilling to wear protective face coverings will not be permitted to participate in face-to-face sessions and will need to leave the building. Noncompliant students will be referred to the Dean of Students for a Code of Student Conduct violation. Any student who has a medical concern with wearing a face covering should contact the Disability Resource Center at (910) 962-7555.
- B. **STUDENT ILLNESS:** Students are to do a health check each day before coming to campus. ***Students who experience COVID-19 symptoms should immediately contact the Abrons Student Health Center at (910) 962-3280.*** If a student becomes ill, s/he should let the professor know and must not attend the course in-person. If a student is too ill to attend virtually, they will be given the opportunity to complete the material asynchronously.
- C. **HONOR CODE:** The University of North Carolina Wilmington is a community of high academic standards where academic integrity is valued. All students enrolled at UNCW are subject to the UNCW Student Academic Honor Code. Disciplinary action will ensue when students fail to align themselves with the ideals and expectations outlined in the Honor Code. The full text of the Honor Code may be accessed via the following link: [UNCW Honor Code](#).
- D. **SEAHAWK RESPECT COMPACT:** In the pursuit of excellence, UNC Wilmington actively fosters, encourages, and promotes inclusiveness, mutual respect, acceptance, and open-mindedness among students, faculty, staff and the broader community.
- ~ We **affirm** the dignity of all persons.
 - ~ We **promote** the right of every person to participate in the free exchange of thoughts and opinions within a climate of civility and mutual respect.
 - ~ We **strive** for openness and mutual understanding to learn from differences in people, ideas and opinions
 - ~ We **foster** an environment of respect for each individual, even where differences exist, by eliminating prejudice and discrimination through education and interaction with others.

Therefore, we expect members of the campus community to honor these principles as fundamental to our ongoing efforts to increase access to and inclusion in a community that nurtures learning and

growth for all.

- E. **CODE OF STUDENT CONDUCT:** This course is subject to the Code of Student Life of the University of North Carolina Wilmington (the Code). The full Code is found here [Code of Student Life](#) . UNCW practices zero tolerance for violence and harassment of any kind. For emergencies, contact UNCW CARE at 910.962.2273 or Campus Police at 910.962.3184. For University or community resources visit [Safe Relate Campus Resources](#).
- F. **RELIGIOUS OBSERVANCE POLICY:** In accordance with NC SL 2010-211, students are entitled to two excused absences for religious observances per academic year. These absences must be requested using the form provided on SeaNet, under "Student Services." These requests must be submitted by the student prior to the absence. Once the request is submitted, an email will be sent to all impacted instructors automatically. There is no need to send additional notification to instructors or the Registrar's Office. Any absence for religious purposes will be considered unexcused unless the appropriate form is submitted.
- G. **STUDENTS WITH DISABILITIES:** If you are a student with a disability and need accommodations, you must be registered with Disability Services (DePaolo Hall, 910.962.7555). Please provide your Accommodations Letter within the first week of class or as soon as possible. You should then meet with your instructor to make mutually agreed upon arrangements based upon the recommendations in the Accommodations Letter. For additional information, please see [UNCW Disability](#).

H. DISASTER CONTINGENCY PLAN:

In the event that UNCW closes, students will be given an assignment to make up for 1 week of missed class time. This will be emailed to students within two days of the UNCW closing announcement.

In the event that the rest of the semester is online, students need to be prepared by having reliable internet access, a webcam and a microphone.