

SYLLABUS
REAE 3325.005: REAL ESTATE FUNDAMENTALS (Class# 22282)
SPRING 2008: Distance Education Section

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Office Hours 9:00 to 11:00 AM, Monday, Wednesday and Friday and by appointment.
Website <http://www.uta.edu/faculty/hansz/3325/distance/main.htm> (check regularly)
Student Blog <http://realestatefundamentals.blogspot.com/>

Teaching Assistant Sanjukta Kar, e-mail: sanjuktak_ind@yahoo.com (Sanjukta will primarily assist in proctoring examinations and grading the TVM tutorial.)

Course Description

A foundation for study and research in specialized areas such as real estate finance, real estate investment and counseling, real estate management, real estate development, and property appraising.

Prerequisites

MATH 1316 and junior standing. Completion of the spreadsheet based Finance Tutorial: Time Value of Money Tutorial is required for all students. It may be purchased at the University Bookstore. Print each lesson after it is completed. Submit the "Proof of Purchase" (blue cover sheet) or the pink "Prior Completion" form (for those that have previously completed the tutorial). If you do not complete the finance tutorial or submit a prior completion form you will not receive credit for this course. Also, I recommend that you complete the TVM tutorial as soon as possible. **Please note that Exam 1 covers the time value of money.** Why wait? See TVM deadlines and bonus opportunity.

Course Objective

This course presents a variety of concepts and vocabulary that are useful for real estate consumers, investors, and professionals.

Student Learning Outcomes

- The student will understand the time value of money and compute mortgage calculations using TVM techniques. The student will also complete the UTA Department of Finance and Real Estate Finance Tutorial. As part of the Tutorial, the student will understand NPV criteria, stock and bond valuation, discounted cash-flow analysis, and capital structure.
- The student will understand legal concepts in real estate including property rights, restrictions on property rights, deeds, and leases.
- The student will understand the real estate market using demand and supply, urban economics, and real estate appraisal.
- The student will be able to differentiate between the three real estate appraisal methods.

Course Format (Note: I hope to use WebCT just for posting grades.)

- Text Readings and Assignments
- Instructor Developed Video/Audio Clips (you will need MS Explorer to view the video clips) found on the class website www.uta.edu/faculty/hansz
- Student Blog <http://realestatefundamentals.blogspot.com/> (for student to student discussion)
- Instructor Contact (to ask specific questions) via (please try to contact Instructor during office hours M W F 9 AM to 11 AM):
 - e-mail (reae3325d@gmail.com) and
 - phone (817 272-5843).
- Exams (4 total) – Three exams and a cumulative final exam. Exams, including the final, are primarily objective style questions. All exam will be held on Saturdays, starting at 10 AM in room 241 Business Building.
- Lecture Option – If you would like to attend live lectures for this class in addition to this distance education format, any student in this section is welcome to attend REAE 3325.001 which meets M W F from 8 AM to 8:50 AM in room 214 Business Building. I am teaching this section and we are following a similar schedule and using the same textbook. If you attend any of these classes, please introduce yourself to me so I can meet you in person.

Textbook

Real Estate Principles, 8th (or 7th) Edition; Charles F. Floyd and Marcus T. Allen, Dearborn Financial Publishing, Inc. 2005 (or 2002). The CD accompanying the textbook is recommended but not required.

Calculators

A basic financial calculator is required and you should know how to operate the time-value-of-money functions. You may NOT use Palm Pilots, calculators with extended memory, cell phones/smart phones, or other similar devices on the examinations. To watch your time during the exam, please bring a watch (do not use your cell phone).

Grading and Bonus Opportunities

Grading The Instructor does not give out grades; instead, each student earns a grade. Further, there will be no surprises with regard to test items or grades that are not anticipated in this class. Grades will be posted during the semester under the assignments section of WebCT. For your privacy, NO grades (including exams or final grades) will be posted in a public area and NO grades will be disclosed over the phone or e-mail. **Your final grade will be the simple average of your best 3 of 4 examinations.**

The grade distribution is as follows:

- 90 - 100% = A
- 80 - 89% = B
- 70 - 79% = C
- 60 - 69% = D

Below 60% = F

The Instructor has discretion in setting the final cutoff but the average class grade point average will likely fall in the range of 2.1 to 2.5. Please do not contact the Instructor at the end of the semester in an effort to receive special consideration. Finally, please note:

- Your class grade has nothing to do with the semester you intend to graduate.
- There is no extra credit or make-up work for individual students to improve their grade. All students have the same opportunity as outlined in this syllabus.
- I do not consider your cumulative GPA or grades in other courses when calculating your grade in this course. Your 3325 grade is based on your performance in 3325 only.

Bonus Bonus opportunities are open to *all* students. The number of bonus points assigned depends on the quality of your work.

Option 1: Time-Value-of-Money Tutorial completion before Exam 1 If you complete the TVM tutorial *before* the first exam, you will be eligible for up to five bonus points on the first exam. TVM is a topic on the first exam so pursuing this option makes a lot of sense anyways! The TVM tutorial is graded pass/fail.

Option 2: Investment Problem The Investment Problem is a complex and challenging discounted cash flow investment analysis model. Students pursuing this option will learn and practice the investment problem on their own time. The Investment Problem will be administered as part of the final exam for student pursuing this option. The Investment Problem is on the class website for your inspection. This option is worth zero to ten bonus points applied to your final exam.

Option 3: Student Blog Participation

(<http://realestatefundamentals.blogspot.com/>) If you participate in the student blog conversations, by both asking appropriate questions related to the material and by thoughtfully commenting on questions by other students, you may, at the discretion and judgment of the Instructor, receive up to 5 (0 to 5 maximum) bonus points on an examination. The Instructor will review the blog the day of each exam to monitor the level of student participation. Participation will be evaluated on both the quantity and the *quality* of contributions. Please note that this blog is designed for student-to-student interaction. The Instructor will periodically review the contents of the blog, but it is the classes responsibility to maintain the quality and accuracy of blog postings. If someone posts inaccurate or misleading information on the blog, resulting in someone missing an exam questions, you can't blame the "blog." *For bonus point consideration, you must sign every blog postings with you first and last name (as it appears on the class roll).* Please send me your e-mail address to I can give you access rights to the class blog.

Exams and No Make-Up Examination Policy

Each student must bring his/her University ID to exams. Students must also bring Scantron form #882E, which is available at the bookstore, a financial calculator, and pencils.
General exam instructions

- Do not be late. We only have the classroom during the scheduled time.
- Keep your exam booklet closed until the exam is officially started.
- You will need a financial calculator (no manuals), pencils, and a Scan-tron answer sheet. Place your photo ID on the desk, photo-side up. Put all other materials away.
- Do not share calculators during the exam.
- Remove baseball caps
- Turn-off/put away all pagers/cell phones and other communication devices.
- Write your name and 'REAE 3325 Exam X' on the Scan-tron answer sheet.
- You may mark (write-on) the exam booklets.
- Do not look around the room or make any noise. If you have a question, raise your hand and I will come to you.
- Keep your Scan-tron answer sheet and test booklet in front of you. (Don't let the person behind you look off your papers.)
- Answer the questions that you know and return to the question you don't know toward the end. Do not spend too much time on any one question.
- Please watch your time as we must finish by end of the scheduled class time.
- Do not remove test booklets from classroom.

No make-up exams. Your final grade is based on the best three of four exams. If you miss an exam, the remaining three exams will determine your final grade. If you are unable to make the scheduled exam dates, please consider another REAE 3325 section.

Cell Phones and Other Communication Devices

Please turn off all cell phone and communication devices prior during exams . If you need to watch your time, please bring a watch to the exams.

Policy on Attendance

You are required to make at least three of the four schedule exams.

Policy on Disruptive Behavior

This course will be conducted in a professional manner. Unprofessional behavior of any form during exams, on the class blog, etc. will not be tolerated. Students can be withdrawn at the discretion of the instructor for unacceptable behavior.

Academic Honesty

It is the philosophy of The University of Texas at Arlington that academic dishonesty is a completely unacceptable mode of conduct and will not be tolerated in any form. All persons involved in academic dishonesty will be disciplined in accordance with University regulations and procedures. Discipline may include suspension from the University. You are responsible to maintain the standards of Academic Honesty included in the current UTA catalog.

Bomb Threats

Effective April 8, 1996, the College of business Administration has adopted a policy to deal with the classroom disruption caused by bomb threats in the building. (A) Section

22.07 of the Texas Criminal Law Statutes states that a Class A misdemeanor is punishable by (1) a fine not to exceed \$4,000, (2) a jail term of not more than one year, OR (3) both such a fine and confinement. (B) If anyone is tempted to call in a bomb threat, be aware that UTA has the technology to trace phone calls. (C) Every effort will be made to avoid cancellation of presentation/tests caused by bomb threats to the Business Building. Unannounced alternate sites will be available for these classes. If a student who has a class with a scheduled test or presentation arrives and the building has been closed due to a bomb threat, the student should immediately check for the alternate site notice which will be posted on/near the main doors on the south side of the Business Building. If the bomb threat is received while class is in session, your instructor will ask you to leave the building and reconvene at another location. (D) Students who provide information leading to the successful prosecution of anyone making a bomb threat will receive one semester's free parking in the Maverick Garage across from the Business Building. UTA's Crime stoppers will provide a reward to anyone providing information leading to an arrest. To make an anonymous report, call (817) 272-5245.

Withdrawing

It is the student's responsibility to complete the course or withdraw from the course in accordance with University regulations. Students are strongly encouraged to verify their grade status before dropping a course after the first withdrawal date. A student who drops a course after the first withdrawal date may receive an "F" in the course if the student is failing at the time the course is dropped.

Drop for Non-payment

It is the policy of the University of Texas at Arlington that students who have not paid by the census date and are dropped for non-payment cannot, under any circumstances, receive a grade for the course. Therefore, a student dropped for non-payment whom continues to attend the course will not receive a grade for that course. Emergency loans are available to help students pay tuition and fees. Students can apply for emergency loans by going to the Emergency Tuition Loan Distribution Center at E.H. Hereford University Center (near the southwest entrance.).

Student Evaluation of Teaching

The following appears in Administrative Memorandum No. 98-5 dated August 21, 1997, from the President for academic and administrative offices. "Beginning in Fall 1997, teaching evaluations will be conducted in every class every semester for every instructor of record".

Evacuation Procedures

In the event of an evacuation of the College of Business building, when the fire alarm sounds, everyone must leave the building by the stairs. With the fire alarm system we no have, the elevators will all go to the first floor and stay there until the system is turned off.

All those in the North tower side of the building should proceed to the fire escape stairs

located on the East and West sides of that wing.

FOR DISABLED PERSONS...please go to the Northeast fire stairs. We have an evacu track chair located on the 6th floor stairwell. We have people trained in the use of this chair and there will be someone that will go to the 6th floor to get the chair and bring it to any lower floor stairwell to assist disabled persons.

Should this be a real emergency, the Arlington Fire Department and UTA Police will also be here to help.

Important Dates

See University Academic Calendar Spring 2008 at <http://www.uta.edu/uta/acadcal/>

General UTA Dates

First Day of Classes	January 14
Late Registrations	January 14-21
MLK Day Holiday	January 21
UTA Census Date	January 30
Mid-Session	March 7
Spring Break	March 17-21
COBA Business Leadership Week	March 10-14
Last Date to Drop for Undergraduates	March 28
Last Day of Classes	May 2

IMPORTANT CLASS DATES AND DEADLINES: Exams and Assignment Deadlines (Please record this dates in your personal calendar at the start of the semester!)

Exam 1 (Saturday, February 9th from 10 AM to 11:00 AM – Do not arrive late!)*

Exam 2 (Saturday, March 8th from 10 AM to 11:00 AM – Do not arrive late!)*

Exam 3 (Saturday, April 19th from 10 AM to 11:00 AM – Do not arrive late!)*

TVM Tutorial Deadline Friday, April 25th

Cumulative Final Exam: Saturday, May 10th from 10:00 AM to 12:30 PM*

*Must bring Scan-tron, financial calculator, pencils, and student ID to all exams.

If you have a conflict or difficulty with any of these important dates listed above, contact the Instructor during the first week of class to discuss the conflict. We offer several sections of REAE 3325 each semester and each section has different examination dates and deadlines.

Tentative Schedule and Important Dates: This is a tentative schedule for coverage of the text material and adjustments will be necessary during the semester. Because of this distance format, you may certainly work ahead of this schedule. Also, please visit the course website frequently for any schedule updates. (I rarely/never change exam dates but I will announce the specific chapters that each exam will cover about one-week prior to an exam.)

<u>Subject</u>	<u>Chapter</u>
Introduction/The Market for Real Estate Knowledge	
1	
<i>Real Estate Finance and Investment Analysis</i>	
Residential and Commercial Property Financing	13
Risk, Return, and the Time Value of Money	14
Mortgage Mechanics	15
Week 4: Exam 1 (Saturday, February 9th 10 AM to 11:00 AM – Do not arrive late!)*	
<i>Real Estate Legal Analysis</i>	
Property Rights and Legal Descriptions	2
Private Restrictions to Ownership	3
Public Restrictions on Ownership	4
Deeds and Leases	5
Contracts in Real Estate Transactions	6
Title Examination and the Closing Process	7
Week 8: Exam 2 (Saturday, March 8th 10 AM to 11:00 AM – Do not arrive late!)*	
<i>Week 10: Spring Break March 17-21</i>	
<i>Real Estate Market Analysis</i>	
Understanding Real Estate Markets	8
Urban and Regional Economics	9
<i>Real Estate Service Industries</i>	
Real Estate Brokerage	10
Principles of Real Estate Property Insurance	19
Real Estate Appraisal	11
Property Management	12
Residential Uses	17
Commercial and Industrial Development	18
Week 14: Exam 3 (Saturday, April 19th 10 AM to 11:00 AM – Do not arrive late!)*	
Week 15: TVM Tutorial Deadline April 25th	
Analyzing Income-Producing Properties	16
Home Purchase Decisions (time permitting)	20
Week 17: Cumulative Final Exam: Saturday, May 10th 10:00 AM to 12:30 PM*	

*Must bring Scan-tron, financial calculator, pencils, and student ID to all exams.

For each chapter

- Read the assigned text chapter (at least twice) and view video clips posted on the class website.
- Download the chapter notes (found on my website) and review the notes.
- Try the end of chapter problems.
- Download the answers to selected end of chapter problems (found on my website) and review your answers.
- Take notes while reading the chapters and viewing the video/audio clips.
- Read the text chapter a second time.
- Download and complete the chapter true/false questions and discussion questions.

Other study suggestions

- Make flashcards.
- Read your notes into a tape recorder (and playback).
- Take notes as you read the text.
- Participate in the Student Blog discussion with a question or commenting on another student's question.
- Combine (rewrite) your text notes and video/audio notes into a single set of notes.
- Study several hours per day everyday (do not wait until the night before the exam).
- Study with a friend, small group, or on-line group. (discuss terms and topics, try problems together, and quiz each other).
- Do the case studies accompanying the text found on the student CD.

General comment

- To protect your privacy, exam scores and final grades will not be posted in public spaces, e-mailed, or released over the phone. Grades will be posted on WebCT.