

SYLLABUS
REAE 3325.004: REAL ESTATE FUNDAMENTALS (Class#20714)
SPRING 2009: Online Section

ATTENTION ALL REAE 3325 ONLINE STUDENTS AND PROSPECTIVE STUDENTS!

PLEASE READ THE FOLLOW BEFORE REGISTERING FOR THIS SECTION:

- This is an **ONLINE LEARNING SECTION**. Students registering for this section should be highly motivated, disciplined, and capable of self-study and independent learning. Also, you should expect to put in 50% to 100% more time into an online class over and above a traditional face-to-face class. If you have any doubts about your motivation, discipline, ability to learn independently, or available time, I highly recommend that you consider taking this course during a full semester where we offer several traditional face-to-face sections (mornings, afternoons, evenings, and even Saturday sections on occasion).
- **FOUR EXAMS WILL BE HELD ON CAMPUS!** See below for examination dates and location (all on-campus exams will be held in room 147 Business Building). All exams will be objective style (multiple-choice) questions. Only the final exam is cumulative.
- Your primary information sources for this course will be your (1) textbook, (2) video clips, (3) practice problems, and (4) student blog. In addition, I will have office hours for additional help. Please note that WebCT is used for posting grades only. Never contact me through the WebCT e-mail function. Always use reae3325online@gmail.com.
- **TVM ANNOUNCEMENT:** You must complete the Time Value of Money (TVM) Finance Tutorial to receive credit for this course. The TVM Finance Tutorial is a Department requirement of all REAE 3325 and FINA 3313 students. The TVM Finance Tutorial must be purchased at the UTA Bookstore (cost around \$12). You need to purchase this because it comes with an original certification page you must submit with printouts of all sections. If you have already completed the TVM Finance Tutorial in FINA 3313 you **DO NOT** have to do it a second time. You may submit a TVM Finance Tutorial prior completion sheet to Dr. Hansz, Department of Finance and Real Estate, Room 424 COBA, Box 19449, Arlington TX 76019-0449. Click [here](#) to download a pdf of the TVM Prior Completion Form.
- **FINANCIAL CALCULATOR:** You will also need a basic financial calculator which can be purchased at the UTA bookstore, Wal-Mart, Circuit City, Fry's, and other retail outlets. Most students use a Texas Instruments (TI) or Hewlett Packard (HP) brand calculator. Exam 1 will cover the TVM material, so you need to move quickly on this.
- **VIDEO CLIP VIEWING INFORMATION:** You must have a reliable computer, Internet connection, and a recent version of MS Internet Explorer (IE) browser (video clips can be viewed in IE only). For video clip viewing, the Firefox browser will not work. I cannot help you with any technical problems so please look into your available resources before registering for the course. If you have trouble with your computer, Internet connection, or browser, this distance learning format will not be convenient to you. You can reach the University HelpDesk at (817) 272-2208 or e-mail helpdesk@uta.edu. Or, visit the HelpDesk in person at the first floor of the Main Library (the best way if you are on campus).

Professor Dr. J. Andrew Hansz, Ph.D., CFA **Office** 631 Business Building
Phone (817) 272-5843 **E-mail** reae3325online@gmail.com
Office Hours TBA on course homepage and by appointment.
Website <http://www.uta.edu/faculty/hansz> (click on course link and check regularly!)
Student Blog <http://reaeonline.blogspot.com>

Teaching Assistant (The GTA 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.

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

- Text Readings and Assignments
- Instructor Developed Video/Audio Clips (use MS Explorer to view the video clips) at [www.uta.edu/faculty/hansz/3325/REPrinc8E\[1\]/text.htm](http://www.uta.edu/faculty/hansz/3325/REPrinc8E[1]/text.htm) (link found on class homepage)

- Student Blog <http://reaeonline.blogspot.com/> (for student to student discussion and course announcements)
- Instructor Contact (to ask specific questions) via (please try to contact Instructor during office hours):
 - e-mail (reae3325online@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.

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.

Exams and No Make-Up Examination Policy

Each student must bring his/her University ID to exams. Students must also bring Scan-tron 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.

ATTENTION: 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.

Bonus Percentage Points on Final Course Grade (Optional)

Bonus opportunities are open to *all* students. The number of bonus points assigned depends on the quality of your work. You can receive up to 3 bonus percentage points on your final course grade per option (6 points total with both options). Please note that these bonus points are definitely not gift points. You must work very hard and earn each point. I anticipate that very few or no student will receive all 6 points.

Option 1: Student Blog Post [See course schedule for deadline] (<http://reaeonline.blogspot.com/>)

Your textbook and accompanying CD has many great features and cases. Pages *xii* to *xiii* provides a Table of Contents for all *Real Estate Today Features*. These features:

- provide a profile of practicing real estate professionals,
- explain or highlights a legal aspect of real estate,
- provides a close-up of a specific real estate topic, or
- develop a case study to help explain a real estate concept.

This bonus opportunity is to pick a real estate related topic that is of particular interest to you and write a *Real Estate Today* or case study style blog post on your topic. Ideally, the topic

should have some local focus (for example, North Texas, Dallas, Fort Worth, Arlington, or your own neighborhood). Sources of information for your paper may include:

- newspaper articles,
- other blogs,
- magazine or journal articles,
- personal interviews,
- Internet sites,
- your text book-as a reference-(do NOT simply copy or mimic an *existing Real Estate Today Feature*), and
- other sources.

Please list your sources at the end of the blog post so they can be verified. Better yet, provide web links to directly access your sources if applicable. Type and proofread your post before postings (I suggest doing the post in Word before posting). Deductions will be made for grammar and spelling mistakes.

For bonus point consideration, you must sign the blog posting with you first and last name (as it appears on the class roll). In your title, include “Blog Bonus Submission:” at the beginning so I know that you are submitting this post as a bonus assignment. Also, your fellow students will be asked about the quality and usefulness of each bonus blog posts submitted. If you are interested in this option, please send me your e-mail address (send to reae3325online@gmail.com) so I can give you blog posting privileges.

Option 2: Investment Problem [given in conjunction with the final exam] 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 including video clips reviewing the Investment Problem calculations.

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, with e-mail, etc. will not be tolerated. Students can be withdrawn from this section at the discretion of the instructor for unacceptable behavior.

Academic Integrity

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 or expulsion from the University.

"Scholastic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts." (Regents' Rules and Regulations, Series 50101, Section 2.2)

Americans with Disabilities Act

The University of Texas at Arlington is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 - The Rehabilitation Act of 1973 as amended. With the passage of federal legislation entitled *Americans with Disabilities Act (ADA)*, pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.

As a faculty member, I am required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. Information regarding specific diagnostic criteria and policies for obtaining academic accommodations can be found at www.uta.edu/disability. Also, you may visit the Office for Students with Disabilities in room 102 of University Hall or call them at (817) 272-3364.

Student Support Services Available

The University of Texas at Arlington supports a variety of student success programs to help you connect with the University and achieve academic success. These programs include learning assistance, developmental education, advising and mentoring, admission and transition, and federally funded programs. Students requiring assistance academically, personally, or socially should contact the Office of Student Success Programs at 817-272-6107 for more information and appropriate referrals.

Final Review Week

A period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following this week unless specified in the class syllabi. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. Classes are held as scheduled during this week and lectures and

presentations may be given.

E-Culture Policy

The University of Texas at Arlington has adopted the University email address as an official means of communication with students. Through the use of email, UT-Arlington is able to provide students with relevant and timely information, designed to facilitate student success. In particular, important information concerning registration, financial aid, payment of bills, and graduation may be sent to students through email.

All students are assigned an email account and information about activating and using it is available at www.uta.edu/email. New students (first semester at UTA) are able to activate their email account 24 hours after registering for courses. There is no additional charge to students for using this account, and it remains active as long as a student is enrolled at UT-Arlington. Students are responsible for checking their email regularly.

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 University Dates

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

IMPORTANT CLASS DATES AND DEADLINES: *Exams and Assignment Deadlines*
(Please record this dates in your personal calendar at the start of the semester! No make-up exams!)

- *Saturday, February 14, 2009 10:00 AM to 11: 00 AM On-campus in 147 Business Building.
 - *Suggest deadline for TVM Tutorial February 14, 2009 (Exam 1 contains the TVM material!).
 - *Saturday, March 14, 2009 10:00 to 11:00 AM On-campus in room 147 Business Building.
 - *Last day to drop a class is April 3rd.
 - *Saturday, April 25, 2009 10:00 AM to 11:30 AM On-campus in room 147 Business Building.
 - *Final deadline for TVM Tutorial, April 25th.
 - *Final deadline for Blog Post Extra Credit assignment is April 25th
(see syllabus, you are encouraged to post earlier).
 - *Saturday, May 9, 2009 10:00 AM to 12:30 PM On-campus in room 147 Business Building.
 - (cumulative final exam)
 - *Investment Problem Bonus Problem will be held in conjunction with the final exam (see syllabus).
 - *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. No make-up exams but I drop your lowest grade.

General Strategies for Success:

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 only.

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.

<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
Exam 1 (Saturday, February 14th from 10 AM to 11:00 AM Room 147)*	
<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
Exam 2 (Saturday, March 14th from 10 AM to 11:00 AM Room 147)*	
<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
Exam 3 (Saturday, April 25th from 10 AM to 11:30 AM Room 147)* and TVM Tutorial Deadline and optional Blog Post deadline	
Analyzing Income-Producing Properties	16
Home Purchase Decisions	20

**Cumulative Final Exam: Saturday, May 9, 2009 10:00 AM to 12:30 PM*
Room 147 (also optional bonus Investment Problem)**

*Must bring Scan-tron, financial calculator, pencils, & UTA ID to all exams. Do not arrive late!