

RE 334: REAL ESTATE INVESTMENT

Course Description:

This course examines the process and techniques of analyzing real property as an investment medium as well as the effects of market conditions and government policies upon real estate investment.

Prerequisite:

Admission to a business major/junior standing, and FIN 301.

Required Textbook:

Real Estate Finance and Investments, Fifteenth Edition, William B. Brueggeman and Jeffrey D. Fisher, McGraw-Hill Irwin, New York, 2016.

Learning Objectives:

- 1) Understand the nature of real estate markets and how value is determined.
- 2) Understand and utilize the underlying theory in the analysis of income producing real estate as an investment medium.
- 3) Apply time-value-of-money techniques in the calculation of before and after-tax cash flows.
- 4) Calculation the net present value and internal rate of return and traditional measures of investment analysis of a real estate investment.

Exams, Assignments and Grading:

Midterm I	25% Held Wednesday, February 10, 2016
Midterm II	25% Held Wednesday, March 9, 2016
Midterm III	25% Held Wednesday, April 13, 2016
Final Exam (Comprehensive)	25% Held Monday May 9, 2016 10:10am – 12:10pm

Assignments: Homework is optional and will be assigned regularly throughout the semester. It is strongly recommended that you complete these assignments.

Tentative Course Outline:

- I. Introduction to Real Estate Investment**

- II. Mortgage Loans: Chapters 3,4,5**
 - a. Chapter 3: Time Value of Money**
 - b. Chapter 4: Fixed Rate Mortgages**
 - c. Chapter 5: Adjustable Rate Mortgages**

- III. Residential Housing: Chapters 7 and 8**
 - a. Chapter 7: Single Family Housing**
 - b. Chapter 8: Underwriting and Financing Residential Properties**

- IV. Income Producing Properties: Chapters 9,10,11, 12**
 - a. Chapter 9: The Market for Space**
 - b. Chapter 10: Valuation**
 - c. Chapter 11: Investment and Taxation Issues**
 - d. Chapter 12: Financial Leverage**

- V. Alternative Investment Vehicles: Chapters 18,19,20,21**
 - a. Chapter 18: Structuring Real Estate Investments**
 - b. Chapter 19: The Secondary Mortgage Market**
 - c. Chapter 20: Mortgage Backed Securities**
 - d. Chapter 21: REITs**

There will be four examinations—three midterms and a final-- held on the dates indicated above. The three midterms will each contribute 25% to your final grade, and the final will be comprehensive and also contribute 25% to your final grade. Problems assigned for homework, presented or solved in class as examples, will be indicative of the types of questions you will receive on the exams. You will be allowed to use a *non-programmable* calculator during the exams (You may **not** use the calculator function on a phone, or other electronic device). The midterms will contain only material covered since the beginning of the course, or since the previous midterm.

100% - 93%	A
92.99% - 90%	
A-	
89.99% - 87%	
B+	
86.99% - 83%	B
82.99% - 80%	B-
79.99% - 77%	
C+	
76.99% - 70%	C
69.99% - 60%	D
59.99% and below	F

Miscellaneous

Make-up tests will not be given under any circumstances. If you miss a midterm examination, your final will count for 50% of the total grade. If you miss a second midterm, it will count as zero points.

UNLV Policies

Academic Misconduct—Academic integrity is a legitimate concern for every member of the campus community; all share in upholding the fundamental values of honesty, trust, respect, fairness, responsibility and professionalism. By choosing to join the UNLV community, students accept the expectations of the Student Academic Misconduct Policy and are encouraged when faced with choices to always take the ethical path. Students enrolling in UNLV assume the obligation to conduct themselves in a manner compatible with UNLV's function as an educational institution.

An example of academic misconduct is plagiarism. Plagiarism is using the words or ideas of another, from the Internet or any source, without proper citation of the sources. See the *Student Academic Misconduct Policy* (approved December 9, 2005) located at: <https://www.unlv.edu/studentconduct/student-conduct>.

Copyright—The University requires all members of the University Community to familiarize themselves **with** and to follow copyright and fair use requirements. **You are individually and solely responsible for violations of copyright and fair use laws. The university will neither protect nor defend you nor assume any responsibility for employee or student violations of fair use laws.** Violations of copyright laws could subject you to federal and state civil penalties and criminal liability, as well as disciplinary action under University policies. Additional information can be found at: <http://www.unlv.edu/provost/copyright>.

Disability Resource Center (DRC)—The UNLV Disability Resource Center (SSC-A 143, <http://drc.unlv.edu/>, 702-895-0866) provides resources for students with disabilities. If you feel that you have a disability, please make an appointment with a Disabilities Specialist at the DRC to discuss what options may be available to you. If you are registered with the UNLV Disability Resource Center, bring your Academic Accommodation Plan from the DRC to the instructor during office hours so that you may work together to develop strategies for implementing the accommodations to meet both your needs and the requirements of the course. Any information you provide is private and will be treated as such. To maintain the confidentiality of your request, please do not approach the instructor in front of others to discuss your accommodation needs.

Religious Holidays Policy—Any student missing class quizzes, examinations, or any other class or lab work because of observance of religious holidays shall be given an opportunity during that semester to make up missed work. The make-up will apply to the religious holiday absence only. It shall be the responsibility of the student to notify the instructor **within** the first 14 calendar days of the course for fall and spring courses (excepting modular courses), or **within** the first 7 calendar days of the course for summer and modular courses, of his or her intention to participate in religious holidays which do not fall on state holidays or periods of class recess. For additional information, please visit: <http://catalog.unlv.edu/content.php?catoid=6&navoid=531>.

Transparency in Learning and Teaching—The University encourages application of the transparency method of constructing assignments for student success. Please see these two links for further information:

<https://www.unlv.edu/provost/teachingandlearning>

<https://www.unlv.edu/provost/transparency>

Incomplete Grades—The grade of I—Incomplete—can be granted when a student has satisfactorily completed three-fourths of course work for that semester/session but for reason(s) beyond the student’s control, and acceptable to the instructor, cannot complete the last part of the course, and the instructor believes that the student can finish the course without repeating it. The incomplete work must be made up before the end of the following regular semester for undergraduate courses. Graduate students receiving “I” grades in 500-, 600-, or 700-level courses have up to one calendar year to complete the work, at the discretion of the instructor. If course requirements are not completed within the time indicated, a grade of F will be recorded and the GPA will be adjusted accordingly. Students who are fulfilling an Incomplete do not register for the course but make individual arrangements with the instructor who assigned the I grade.

Library—Students may consult with a librarian on research needs. For this class, the subject librarian is https://www.library.unlv.edu/contact/librarians_by_subject. UNLV Libraries provides resources to support students’ access to information. Discovery, access, and use of information are vital skills for academic work and for successful post-college life. Access library resources and ask questions at <https://www.library.unlv.edu/>.

Tutoring and Coaching—The Academic Success Center (ASC) provides tutoring, academic success coaching and other academic assistance for all UNLV undergraduate students. For information regarding tutoring subjects, tutoring times, and other ASC programs and services, visit <http://www.unlv.edu/asc> or call 702-895-3177. The ASC building is located across from the Student Services Complex (SSC). Academic success coaching is located on the second floor of the SSC (ASC Coaching Spot). Drop-in tutoring is located on the second floor of the Lied Library and College of Engineering TEB second floor.

UNLV Writing Center—One-on-one or small group assistance with writing is available free of charge to UNLV students at the Writing Center, located in CDC-3-301. Although walk-in consultations are sometimes available, students with appointments will receive priority assistance. Appointments may be made in person or by calling 702-895-3908. The student’s Rebel ID Card, a copy of the assignment (if possible), and two copies of any writing to be reviewed are requested for the consultation. More information can be found at: <http://writingcenter.unlv.edu/>.

Rebelmail—By policy, faculty and staff should e-mail students’ Rebelmail accounts only. Rebelmail is UNLV’s official e-mail system for students. It is one of the primary ways students receive official university communication such as information about deadlines, major campus events, and announcements. All UNLV students receive a Rebelmail account after they have been admitted to the university. Students’ e-mail prefixes are listed on class rosters. The suffix is always @unlv.nevada.edu. **Emailing within WebCampus is acceptable.**

Final Examinations—The University requires that final exams given at the end of a course occur at the time and on the day specified in the final exam schedule. See the schedule at: <http://www.unlv.edu/registrar/calendars>.