



# LINCOLN UNIVERSITY

## BA 464 Investments (Real Estate), Fall 2017

Course Number: **BA 364**

Course Title: **Investments (Real Estate)**

Units: 4 (45 lecture hours + 1 unit individual project)

Semester Offered: Fall 2017

Course Meeting Days: Wednesdays

Course Meeting Time: 6:30PM-9:15PM

Course Meeting Place: TBD

### Instructor Information:

Name: Daniel Sevall

e-Mail Address: dsevall@lincolnuca.edu

Office Location: TBD

Office Hours: TBD

### **1. Course Description**

An in-depth study of Real Estate Investments including the nature of Real Property, market analysis, construction cycles, mortgage lending, equity investment, metro area growth, urban land use, the effect of credit on demand, equity investment criteria, real property valuation and public policies, as well as current news and market conditions in both the United States and International Real Estate Markets will be covered in the course. A one unit written research project and its oral presentation are required for the course (4 units). *Prerequisite: BA 303*

### **2. Course Learning Objectives**

	<b>Course Learning Outcome</b>	<b>Assessment activities</b>
1	Understand the nature of real estate markets for both residential and commercial-type properties	Midterm and Final Exam

2	Calculate the Real Estate Property Value	Midterm and Final Exam
3	Conduct a valuation of Real Estate Property and assess the market determinants of real estate value	Course Project; Midterm and Final Exam; Research Paper and Presentation
4	Articulate the nuances of Real Estate contracts	Course Project and Final Exam
5	Perform basic ratio analysis and identify the major issues surrounding property taxes	Final Exam; Research Paper and Presentation

By the end of the course, students should be able to:

- Understand the nature of real estate markets for both residential and commercial-type properties
- Calculate the Real Estate Property Value
- Articulate the issues around government controls of the real estate market
- Comprehend and discuss the nuances of real estate contracts
- Conduct a valuation of real estate property
- Assess the market determinants of value
- Perform basic ratio analyses for real estate investment decisions
- Identify major issues surrounding taxation

### **3. Instructional Methods:**

The emphasis will be on learning by doing. It is highly recommended to bring a laptop to every class. This laptop should have Microsoft Excel installed, as this is a quantitative course. Every student must participate in an intensive classroom activity. Reading, writing, and problem solving assignments will be made throughout the course.

### **4. Instructional Material and Texts:**

Real Estate Principles: A Value Approach  
 Author: David Ling  
 Publisher: McGraw Hill  
 ISBN: 0073377341  
 ISBN-13: 978-0073377346  
 Release Date: Dec 18, 2012

Supporting Cases will involve areas in the SF Bay Area, Detroit

### **Online Components of the Course**

I will create a Canvas site as a means of posting information, and offering an opportunity for you to ask questions regarding course material. I will plan on adding students to the Canvas site, once the class rosters are finalized.

## **5. Academic Honesty Honor Code**

The faculty, administration, and staff recognize their obligation to provide continuing guidance as to what constitutes academic honesty and to promote procedures and circumstances that will reinforce the principle of academic honor. Fundamental to the principle of independent learning is the requirements of honesty and integrity in the performance of academic assignments, both in the classroom and outside. Students should avoid academic dishonesty in all of its forms, including plagiarism, cheating, and other forms of academic misconduct. The University reserves the right to determine in any given instance what action constitutes a violation of academic honesty and integrity.

## **6. Diversity**

A diverse classroom is a better classroom. Sharing our experiences and our ideas contribute to our better understanding of the material. I will be committed to ensuring that all students receive the attention needed to grasp the key accounting concepts for this class. To that end, all questions relating to the course material will be answered in a timely fashion.

## **7. Requirements**

All students are required to attend the class. Continuous assessment is emphasized. Students must complete all assignments and take all quizzes, mid-term exam and final exam **ON THE DATES DUE**. Plagiarism will result in the grade “F” and a report to the administration.

## **8. Assessment**

### **A. Exams:**

- Students must take a midterm and a final exam. The midterm will cover material from the first half of the course. The final exam is *comprehensive* and covers the material from the entire semester.
- Make-up exam policy: Students must take the exams as scheduled. No make-up exam will be given.
- Partial Credit is awarded on exams for problems (not multiple choice) when the computations are shown. Show all work on problems for maximum partial credit.
- Students may use laptops or programmable calculators. While these may help students in the calculation of certain accounting problems, ultimately the student will need to use critical reasoning to be successful in this course.
- Students may e-mail me to be informed of their respective grades.

### **B. Homework:**

- Homework sets and due dates will be posted regularly.
- Solutions to some homework problems will be reviewed in class.
- Critical thinking essay, cases, and problems are included as part of the regular homework and class demonstration problems.

## **9. Grading and Assessment Criteria**

Midterm	25%
Attendance and Class Participation	10%
Course Project/Research Paper/Presentation	30%
Final	35%
-----	-----
Total	100%

Letter grades will be given based on the following scaling:

A	90 - 100
B	80 - 89
C	70 - 79
D	60 - 69
F	0 - 59

## 10. Expectations for Students

### A. Attendance:

- Attendance at all classes is essential to acquiring the requisite information for successful completion of this course. The topics covered in this course are much related to each other. If you miss a lecture, it would be hard to catch up. Roll will be taken at the beginning of each session. Students are expected to show up to every class meeting and stay for the entire period.
- Students may attend either session of the lecture as space permits. Students must attend the exams during the session in which they are registered unless prior permission is obtained.
- Students are required to inform the instructor in advance by email or verbally in case of not being able to attend class.

### B. Class Participation:

- Class participation is very essential to learning this subject. Be prepared to participate in class discussions (answering the questions and solving the problems), group work, and reviewing the homework.

### C. Student Code of Conduct:

- Students are expected to respect the instructor and each other. Students must turn off their cell phones and pagers during the entire class time.

## 11. Course Schedule

Include dates of class meetings, topic, assignments, and assignment due dates.

- Session 1: The Nature of Real Estate and Real Estate Markets
- Session 2: Value and Real Estate Decisions
- Session 3: Legal Foundations to Value
- Session 4: Conveying Real Property Interests
- Session 5: Government Controls and Real Estate Markets
- Session 6: Market Determinants of Value

Session 7: Valuation Using Sales Comparison and Cost Approaches; Valuation Using Income Approach

Midterm

Session 8: Real Estate Finance: The Laws and Contracts

Session 9: Residential Mortgage Types and Borrower Decisions

Session 10: Mortgage Calculations and Decisions/Contracts for Sale and Closing

Session 11: Commercial Mortgage Types and Decisions

Session 12: Commercial Mortgage Types and Decisions

Session 13: Sources of Commercial Debt and Equity Capital

Session 14: Investment Decisions; Income Taxation and Value

## **12. Disclaimer**

This syllabus is subject to modification. I am committed to letting students know changes to the syllabus as soon as feasible.

**Last Update:** 8/12/17

## Appendix. Program and Institutional Learning Outcomes.

<b>Institutional Learning Outcomes (ILOs)</b>	
<i>A Graduates of Lincoln University MS Program should be able to</i>	
<b>1</b>	Recognize and be able to work with the components of reasoning and problem solving; understanding concepts, assumptions, purpose, conclusions, implications, consequences, objections from alternative viewpoints, and frame of reference.
<b>2</b>	Gather and assess relevant information, using abstract ideas to interpret it effectively; being able to develop well-reasoned conclusions and solutions, and testing them against relevant criteria and standards
<b>3</b>	Be exemplary business professionals and try to ensure that the products of their efforts will be used in socially responsible ways, will meet social needs, and will avoid harmful effects to health and welfare
<b>4</b>	Lead by example in order to create highly collaborative organizational environment, and be able to develop and use strategies to encourage employees at all organizational levels to do the same.
<b>5</b>	Set goals and have a vision of the future. The vision should be owned throughout the organization. As effective leaders, they should habitually pick priorities stemming from their basic values.
<b>6</b>	Continually look for, develop, and offer new or improved services, and be able to use original approaches when dealing with problems in the workplace.
<b>7</b>	Demonstrate fluency in the use of tools, technologies and methods in the field. They should know how to evaluate, clarify and frame complex questions or challenges using perspectives and scholarship from the business discipline.

<b>Program Level Outcomes (PLOs)</b>	
<i>Students graduating our MS in Finance Management program will be able to:</i>	
<b>1</b>	Demonstrate expert-level understanding of the aspects of finance management including mathematical, statistical, financial, and economic.
<b>2</b>	Develop knowledge of finance management including international finance, international securities, commercial banking and lending, investment science, real estate, and stock market.
<b>3</b>	Recognize financial problems and provide creative solutions. Integrate theory and practice for strategic analysis in the field of finance management.
<b>4</b>	Apply quantitative methods of analysis to analyze financial data.
<b>5</b>	Communicate to relevant audiences including written and oral communication.
<b>6</b>	Work effectively with a team of colleagues on diverse projects.
<b>7</b>	Identify and analyze the ethical obligations and responsibilities in the field of finance management.

<b>Institutional Learning Outcomes (ILOs)</b>	
<i>DBA Graduates of Lincoln University should be able to:</i>	
<b>1c</b>	Incorporate various modes of thinking, among them: scientific thinking, mathematical thinking, historical thinking, anthropological thinking, economic thinking, and moral thinking.
<b>2c</b>	Operate within alternative systems of thought, recognizing and assessing the needs, with related assumptions, implications, and practical consequences; and being able to communicate results effectively with others in figuring out solutions to complex problems
<b>3c</b>	as exemplary business professionals, minimize the possibility of indirectly harming others by following accepted standards at local, national or international levels; to be able to assess the likelihood and physical and social consequences of any developed product's harm to others.
<b>4c</b>	Integrate collaboration into organizational workflows, create a supportive environment for collaboration and teamwork, and lead by example.
<b>5c</b>	Have perseverance to accomplish a goal despite potential obstacles, use sound judgments to make decisions at a right time, and make timely appropriate changes in thinking, plans, and methods in achieving organizational goals.
<b>6c</b>	Set up realistic goals for the organization, encourage innovative strategies, and convey a clear sense of future direction to employees.
<b>7c</b>	Formulate and arrange ideas, designs, or techniques, and apply them to specific issues and problems. They should be able to apply current research, scholarship and or/techniques in the field.

<b>Program Level Outcomes (PLOs)</b>	
<i>Students graduating our DBA program will be able to:</i>	
<b>1</b>	Demonstrate advanced knowledge and competence in the latest academic theories, concepts, and techniques in the field of business administration.
<b>2</b>	Demonstrate effective research skills including formulation of research problem; integration of previous literature into an appropriate literature review; design of a research study; data analysis; and summary and presentation of results.
<b>3</b>	Create and present advanced forms of oral and written communications, including teaching and advising.
<b>4</b>	Generate, evaluate and assess the ethical obligations and responsibilities of business for the purpose of responsible management.
<b>5</b>	Apply the knowledge from the area of specialization and provide consulting to other business industries or other fields.