I am Mark Sunderman and I will be your guide on this exciting journey this semester. Even though I feel like an "old timer" when it comes to online education (I have been teaching online since Spring 1999), I am still learning more every semester (I try not to make the same mistake twice). Since many of you may be new to online instruction, I am sure this will be a learning experience for all of us. One thing I have learned while teaching online - that is to be FLEXIBLE. I have also learned how critical communication (i.e., e-mail, the class message center, threaded discussion, chat room) is in online education.

You will notice that when possible I stress the quantitative aspects of this subject. WHY? I have talked to different real estate professionals in Memphis and have asked them what one item could I teach my classes to make my students more marketable. Everyone has stressed the importance of being able to work the "numbers" and understand numerical concepts like time value of money. Understanding concepts is fine, but being able to understand and work the numbers is critical.

I will be introducing "ARGUS Enterprise 10" in this class. This is a widely used software application in commercial real estate. Access to ARGUS Financial Analysis is the result of a gift of the use by ARGUS, Inc. I appreciate our relationship with ARGUS!
Let me stress that online education has many benefits. But it is still in many respects self-directed learning. It requires a high level of responsibility, dedication and self-discipline on your part. Even though we do not have class meetings, there are still weekly assignments and deadlines to meet. In this class you will be responsible for your own work, your own progress, and your own grade. What you get from this class will be in direct relationship to what you put in! I really enjoy the flexibility of online education, but it is also VERY easy to get behind.

**Syllabus**

**Professor:** Dr. Mark Sunderman

**TA:** To Be Announced

**Mailing Address:**
Mark Sunderman
University of Memphis
Department of Finance, Insurance and Real Estate
Memphis, TN 38152-3120

**Office:** Fogelman College Administration Building, Room 436

Since I am only teaching online, I do not have any set office hours. However, I am on campus usually everyday. My office number is 678-5142; however, the best way to reach me is with class e-mail (sent from the class shell). If we need to talk or meet, a time can be arranged.

**Office Phone:** (901) 678-5142 (with voice mail)

**E-Mail:** Please use my e-mail from within the class shell. Do not use my University of Memphis e-mail address since it is too easy for me to loss track of your correspondence.

**FAX:** (901) 678-1714

**Calculator:** A calculator in this class is required. A financial calculator is not mandatory, but one is helpful (if you are planning to purchase one, the HP-12C is recommended). Calculators will be needed to work the quizzes and the problems assigned in class.

Course Overview

This course focuses on the field of real estate investment, the mechanics of investment analysis and decision making as it relates to real estate. Modern real estate investment analysis treats real estate as a capital asset desired for the stream of benefits it is expected to produce. How to determine and value this income stream is examined in FIR 4350 / 6350. FIR 4350 / 6350 is an advanced class in real estate, as such; topics in real estate investment (introduced in FIR 3310 - Real Estate Principles) are examined in more detail. However, FIR 3310 is not required or needed for success in this class. In this class, where possible, I will be stressing the quantitative aspects of this subject. For success in this field of real estate, an understanding of concepts is fine, but being able to understand and work the numbers is critical.

Course Objective

By successfully completing this course, students will be able to:

1. Have an understanding of the mechanics of investment analysis and decision making process as it relates to real estate.

2. Understand and be able to calculate the time value of money concepts as they are applied in real estate investment.

3. Understand how income tax impacts a real estate investment decision.

4. Understand the role that different forms of financing impact the success of a real estate investment project.

5. Understand and be able to calculate the different measures of investment performance.

6. Be able to complete a real estate investment analysis project.

7. Have a working knowledge of ARGUS Enterprise software and its use in commercial real estate.

Fogelman College: Learning Outcomes for Your Degree

This course is designed to help you to meet the overall learning objectives for the BBA, as well as the MBA and MS degrees offered by the Fogelman College. You should take the time to become familiar with the overall learning objectives as a student in your degree program. College degree outcomes are located at: Fogelman College Degree Outcomes
Course Requirements

1. There will be 7 quizzes (there will be a quiz for each unit of material). Each quiz will be worth 50 points and can be taken a total of three times. You are not required to take a quiz more than once. Your grade will be the average of your attempts. When the quiz is retaken, even though most of the questions remain the same, there will be some variation. Feel free to use your text / notes while taking these quizzes. Again, these quizzes are individual assignments -- **teamwork is not permitted**.

2. An important aspect of this class will be communication. Your involvement in this class, through conference threads, will be evaluated at the end of each unit. 25 points are available for Units 1 through 7 (and the Introduction Thread) for a total of 200 points for the course. To receive credit for your threaded discussion, your posts must be made by midnight on the due date of the unit of material. Threads will not only be used for discussion, but I will also use the threads to cover questions about the subject material.

3. In addition to the above, there will be three problem sets due during the semester. Each problem set will be worth 75 points. Late assignments will not be accepted. After the due date the solutions to the problem set will be posted. It is suggested you make a copy of your assignment prior to turning it in (with electronic submission of assignments - things can go wrong). Instructions on how to turn this assignment in will be discussed later. Our last problem set will include ARGUS software applications. For those registered in FIR 6350, this last assignment will also include a detailed ARGUS project. For FIR 6350 this assignment will be worth 150 points instead of 75.

4. There is no final exam in this class. The last unit of material will be due during final exam week.

5. Assignments and projects may be submitted anytime up to and including the date due. Please review all information in this syllabus and related “Class Schedule” for all due dates. Unless arrangements have been made in advance due to a reported illness or absence, late assignments will not be accepted.

6. There is no extra credit offered in this course. Your final grade will be computed based on your work on the formal/assessed activities previously described in this syllabus.

Course Topics

- **Unit 1 -- Fundamental Issues in Real Estate Investment Analysis**
  - The Real Estate Investment Decision (Chapter 1)
  - Investment Strategy and Market Efficiency (Chapter 2)
- Land Utilization and the Rental Value of Real Estate (Chapter 3)

- **Unit 2 -- Market Research and Cash-Flow Forecasting**
  - Market Research Tools and Techniques (Chapter 4)
  - Reconstructing the Operating History (Chapter 5)
  - Forecasting Income and Property Value (Chapter 6)

- **Unit 3 -- Using Borrowed Money**
  - Financial Leverage and Investment Analysis (Chapter 7)
  - Credit Instruments and Borrowing Arrangements (Chapter 8)
  - The Cost of Borrowing Money (Chapter 9)

- **Unit 4 -- Income Tax Considerations**
  - Fundamental Income Tax Issues (Chapter 10)
  - Determining the Character of Real Estate Rental Income (Chapter 11)

- **Unit 5 -- Measures of Investment Performance**
  - Traditional Measures of Investment Worth (Chapter 12)
  - Discounted Cash-Flow Analysis (Chapter 13)
  - Investment Goals and Decision Criteria (Chapter 14)

- **Unit 6 -- The Risk Element**
  - Risk in Real Estate Investment (Chapter 15)
  - Traditional Risk-Adjustment Methods (Chapter 16)
  - Contemporary Risk Measures (Chapter 17)

- **Unit 7 -- The Real Estate Investment Analysis Process Illustrated**
  - Investment Feasibility Analysis (Chapter 19)
  - Subdivision Proposal Analysis (Chapter 20)
  - Development and Rehabilitation (Chapter 21)
  - Industrial Property, office Building, and Shopping Center Analysis (Chapter 22)
  - ARGUS Financial Analysis (software provided by ARGUS, Inc.)

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**Grading Policy (FIR 4350)**

This course will have a total of 775 possible points. The breakdown of these points are:

- Unit Quizzes (7 @ 50 pts each) 350
- Introduction Thread 25
- Conference Threads (7 units @ 25 pts each) 175
- Problem Sets (3 @ 75 pts each) 225

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**Grading Policy (FIR 6350)**

This course will have a total of 850 possible points. The breakdown of these points are:

- Unit Quizzes (7 @ 50 pts each) 350
- Introduction Thread 25
- Conference Threads (7 units @ 25 pts each) 175
- Problem Sets (2 @ 75 pts each) 150
- ARGUS Project 150

**Grading Scale**

Total points earned by the student will determine the grade assigned. I intend to use a 90 / 80 / 70 / 60 percent grading scale. Individual assignments may be curved; however, at no time will the final grading scale exceed the above listed scale.

**Course Policies**

As with any course, there are policies that need to be followed. With an online class, since we never meet face to face, these policies tend to be even more important.

**Communication Expectations**

Since this class meets over the Internet, it is critical that constant communication is maintained. For my part, I will check my e-mail daily (Monday through Friday), usually late afternoon, and will check the Threaded Discussions at least three times a week. From past experience, e-mail communication works best since I am not always in my office (I also enjoy the flexibility of online teaching!) and my TA will have access to my e-mail. To better serve you, PLEASE include in the subject line of your e-mail "FIR 4350" or "FIR 6350". Also, please make sure to include your name in your message - it is often hard knowing who you are when all I have is an e-mail address! This makes it easier to identify each of you. If at all possible, I will respond to your questions / problems within 36 hours. To send me e-mail - be sure to send it too me from within the online course.

Don’t be surprised if you hear from one of my TA. They will be helping me teach this class this semester.
E-mail Policies

To contact me (or my TA), please e-mail me from within the course shell. This makes sure that ALL my online e-mail communication goes to one location. This way it makes it easier for me (and my TAs) to have access to JUST my online class correspondence. PLEASE do not use my University of Memphis e-mail address - it is too easy for me to lose track of your correspondence! You will receive all official course correspondence at this email account. Any inability to receive incoming mail in a timely fashion (e.g., not regularly checking your email, having a “full mailbox” condition, etc.) is the student’s responsibility.

E-mail can be a valuable tool; however, it can be easily abused. Each of you has the option to e-mail the entire class; however, PLEASE keep these messages related to course content. Also, I suggest that you do not give the entire class your phone number or address. If you want to share this selectively, that is fine. These policies are designed so each of you are not inundated with junk mail and you are able to maintain some degree of privacy. Further, often posting your question / comment in the threads is better than sending an e-mail message to the entire class.

Finally, please realize that the University of Memphis or this instructor cannot and will not be held responsible for the content of any personal messages which are sent from one student directly to another student using the online e-mail delivery system. It is expected that all students will adhere to accepted codes of ethical, personal, and civil conduct when conversing online using e-mail or engaging in any real time online chat sessions. Failure to abide by such codes of conduct and etiquette will result in expulsion from the course with a failing grade.

Threads Policies

I will not place limits on the use of conference threads other than to clearly state that I will not tolerate rudeness or inconsiderate comments being posted. Please treat each others views with the same amount of respect that you would want your views handled. Remember, it is VERY easy to be guilty of "flaming" in a thread situation. If handled properly, you may find that the "threads" are the most enjoyable aspect of the class.

Grammar / Spelling

There is a tendency to become lax when posting responses to threaded discussions and when sending e-mail. This is not an English class; however, I still expect proper grammar and spelling to be used. I do not intend to grade participation based on the quality of your writing style; however, it is disconcerting when it is HARD to understand what someone is expressing because their writing is unclear. As a suggestion, you may want to compose your threaded comments or e-mail messages in a word processing program where you can check spelling, edit, and revise your writing. Once you are finished, you can cut and paste the work into the threaded discussion or into e-mail.
**File Format of Assignments**

When I deliver material to the class for downloading, I will save text files in "pdf" format. This is an easy format to read with a free Adobe Acrobat reader. You can download this reader at [http://www.adobe.com/prodindex/acrobat/readstep.html](http://www.adobe.com/prodindex/acrobat/readstep.html). Non-text files will be saved in Microsoft Office format. To send files to me, you can send files in either WordPerfect / Word / Adobe Acrobat or Excel format. If you have any concerns regarding my ability to read a file, please contact me. Again, I am very flexible!

**Technical Problems**

If you have technical problems with the course platform, there is information on the initial login screen at eCourseware. In essence, you can contact the ITD help-desk at 901-678-8888. If you have continual problems, please let me know.

If you have problems with the course content, please contact me.

Unfortunately, Internet Service Providers (ISP) periodically have problems. I have also found that all ISPs are not "created equal" - many class problems have resulted from an inferior ISP. These problems are not an excuse for failing to complete assignments or for turning them in late, not being involved in threaded discussion, or having no e-mail access. Since computer crashes and disasters are bound to happen, I encourage you to make hard copies of your assignments and communication. If you have problems with your ISP, notify them immediately. If problems persist, you may have to access this course from another computer or through another ISP. Keep in mind that your ISP is your only link to this class.

**Access to Course**

The way this class is designed, you are not permitted to work ahead; however, I have provided some overlap of the units for flexibility (please check out the schedule shown under "Class Schedule"). After each unit is completed, you will still have access to it; however, work done on prior units (involvement in past threads and quizzes) will not be graded.

**Reporting Illness or Absence**

Due dates and deadlines have been established for each graded assignment. In this course, deadlines are taken very seriously. Please do not wait until the last day to submit assignments or to take quizzes and exams. If an emergency should arise, it is the student's responsibility to contact the instructor prior to the deadline to discuss the matter. A deadline extension will be considered only if all of the following conditions are met: (1)
Extreme emergency and (2) Instructor contacted prior to the due date.

**Personal Involvement and Time**

There is often a misperception that taking a course online is easier since you don't have to physically go to a classroom. It is true that there are some things that become easier for online students. However, it is also easier to get behind. Even though you have flexibility in attending class, the work still needs to be done. Further, you have to take more responsibility for your learning. Finally, an online course requires more personal involvement where participation is the KEY. For success, don't put off your assignments. When possible, get an early start on each unit of material.

You are expected to stay active and engaged throughout the academic term and keep up with the schedule of activities. Your full engagement in the class begins on the first day of the semester and should be maintained until the last assignment is submitted. For students receiving federal student loans, any lack of engagement in the course may be treated as non-attendance and potentially impact access to student loans in the future.

How much you learn in this class will be in direct relationship to the amount of time spent on this material. Even though this class will be a lot of work, I also hope it can be an enjoyable experience!

Finally, I ask that you check your e-mail daily. I may be making adjustments to the course from time to time depending on the needs of the class. I will use e-mail and the message center to keep you informed. Also, I ask that you access conference threads several times during the week. Don't be surprised if you find most of your learning results from this form of communication.

**Class Attendance / Involvement**

This is NOT A CORRESPONDENCE class! We don't have class meetings, but we have weekly assignments AND deadlines! We will move through this material AS A CLASS, not as individuals. You will find that I stress communication. This is not possible if everyone is at a different place in the material. My TA and I are here to help you, but you will likely find your classmates can help a lot as well! Get to know them.

I would suggest that you set aside a time each day that you plan on working on this class. If you need to miss a day, that is fine, but the work still needs to be done! The way this class is designed, you have approximately 17 days to complete a unit of material. Even though this may sound like a lot of time, it really isn't considering the amount of material that needs to be covered in each unit. I had considered breaking these units up into smaller pieces; however, leaving them larger gives each of you more flexibility (or more rope to hang yourself with!).
I realize that problems occur. I am usually fairly flexible; however, if you are having problems (technical or otherwise) it is YOUR responsibility to contact me.

**Student Services**

Please access the [FCBE Student Services](https://elearn.memphis.edu/content/enforced/201380/6159649) page for information

- Students with Disabilities
- Tutoring and other Academic Assistance
- Advising Services for Fogelman Students
- Technical Assistance

**Syllabus Changes**

The instructor reserves the right to make changes as necessary to this syllabus. If changes are necessitated during the term of the course, the instructor will immediately notify students of such changes both by individual email communication and posting both notification and nature of change(s) on the course bulletin board.

**Class Schedule**

Shown below is the schedule we will be following this semester. Remember, you cannot enter a unit until the "Beginning Date". Even after a unit is completed, you can still access it; however, any work done AFTER the "Ending Date" will not be graded.

<table>
<thead>
<tr>
<th>Unit - Material Covered</th>
<th>Beginning Date (at 8:00 AM)</th>
<th>Ending Date (at Midnight)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unit 1</strong> - Chapters 1, 2 and 3</td>
<td>Wednesday, 8/26</td>
<td>Monday, 9/14</td>
</tr>
<tr>
<td><strong>Unit 2</strong> - Chapters 4, 5 and 6</td>
<td>Friday, 9/11</td>
<td>Monday, 9/28</td>
</tr>
<tr>
<td><strong>Unit 3</strong> - Chapters 7, 8 and 9</td>
<td>Friday, 9/25</td>
<td>Monday, 10/12</td>
</tr>
<tr>
<td><strong>Unit 4</strong> - Chapters 10 and 11</td>
<td>Friday, 10/9</td>
<td>Monday, 10/26</td>
</tr>
<tr>
<td>Unit 5 - Chapters 12, 13 and 14</td>
<td>Friday, 10/23</td>
<td>Monday, 11/9</td>
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<tr>
<td>Unit 6 - Chapters 15, 16 and 17</td>
<td>Friday, 11/6</td>
<td>Monday, 11/23</td>
</tr>
<tr>
<td>Unit 7 - Chapters 19, 20, 21 and 22</td>
<td>Friday, 11/20</td>
<td>Monday, 12/7</td>
</tr>
</tbody>
</table>

New units will open on Friday (I am opening Unit 1 earlier so you can have more time to get used to an online class) and are due 17 days later, on a Friday (by midnight). To stay on this schedule, you will find I did not allow for either Fall Break or Thanksgiving vacation - SORRY. Note that there is some overlap in the units to provide more flexibility - however, please do not leave the material to the last day! Even though I have attempted to have these units approximately of equal size, you will find that some are harder than others - SORRY.