Course Syllabus
FIR 3310 - 001
Real Estate Principles
Fall 2018

Syllabus

Instructor: Wei Sun (Dr. Mark Sunderman will be assisting)
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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 serves as an introduction to physical, legal and economic fundamentals of real estate using an integration of real estate markets, mortgage financing, appraisal principles and investment analysis. FIR 3310 is intended as an overview of real estate and is the first in a five course sequence in real estate that we have available on campus, as well as online. Quantitative aspects of this subject are stressed, when appropriate, since success in different aspects of real estate require more than an understanding of concepts but it is critical that there is an understanding of how to work the numbers.

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

1. Have an understanding of the nature of real estate and real estate markets.
2. Understand and be able to calculate time value of money concepts as they are applied to real estate.
3. Have an understanding of how our legal system helps provide the basis of our real estate system and provides the foundation for real estate value.
4. Have an understanding of the power of government controls in regulating land use and how this power is typically used.

5. Understand the mechanics of the cost, sales comparison and income approach to property valuation and when each is most appropriate.

6. Have an understanding of "mass" appraisal and its application.

7. Understand the difference, as well as the application of direct capitalization and discounted cash flow models of property valuation.

8. Understand the mechanics and terms of the standard fixed-rate mortgage.

9. Have an understanding of how lenders control default risk through the use of borrower qualification, loan underwriting and contractual relationships.

10. Understand the impact that different forms of real estate financing can have on the success of a real estate investment project.

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

12. Have an understanding of how market determinants impact market value and the role of urban economics.

13. Understand the sequence of steps in the cycle of real estate market research.

14. Have an understanding of the working of the brokerage function.

15. Understand the enhancement of value possible through professional ongoing property management.

**Fogelman College: Learning Outcomes for Your Degree**

This course is designed to help you to meet the overall learning objectives for the BBA in 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 11 quizzes. Each quiz will be worth 3 points. Only 10 of the 11 quizzes will be calculated in your final grade (the quiz with lowest points will be taken out). The quizzes will be open-book, so feel free to use your text / notes while taking these quizzes. However, these quizzes are individual assignments -- teamwork is not permitted.
2. There will be a mid-term exam and final exam in this class. The mid-term exam will be on Thursday, 10/11/2018 and worth 20 points. The final exam will be on Tuesday, 12/11/2018 and worth 30 points.

3. In addition to the above, there will be two problem sets due during the semester. Each problem set will be worth 10 points. Late assignments will not be accepted. It is suggested you make a copy of your assignment prior to turning it in (with electronic submission of assignments - things can go wrong). Assignments will be uploaded into the class Dropbox.

4. 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.

5. 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 Outline

- Unit 1 -- Introduction
  - The Nature of Real Estate and Real Estate Markets (Chapter 1)
  - The Effects of Time and Risk on Value (Chapter 14)
- Unit 2 – Legal Aspects of Real Estates
  - Legal Foundation to Value (Chapter 2)
  - Conveying Real Property Interests (Chapter 3)
  - Government Controls and Real Estate Markets (Chapter 4)
- Unit 3 -- Real Estate Appraisal
  - Valuation Using the Sales Comparison and Cost Approaches (Chapter 7)
  - Valuation Using the Income Approach (Chapter 8)
- Unit 4 -- Financing Real Estate Ownership
  - Real Estate Finance: The Laws and Contracts (Chapter 9)
  - Residential Mortgage Types and Borrower Decisions (Chapter 10)
  - Mortgage Calculations and Decisions (Chapter 15)
  - Commercial Mortgage Types and Decisions (Chapter 16)
  - Problem Set 1
- Unit 5 -- Real Estate Investment Analysis and Impact of Taxes
Grading Policy

This course will have a total of 100 possible points. The breakdown of these points are:

- Unit Quizzes (10 of 11 @ 3 points each) 30
- Mid-term Exam (1 @ 20 points) 20
- Final Exam (1 @ 30 points) 30
- Problem Sets (2 @ 10 points each) 20

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.
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. Non-text files will be saved in Microsoft Office format. To send files to me, you can send files in either 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!

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. 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

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 to keep you informed.

Student Services

Please access the FCBE Student Services page for information

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

<table>
<thead>
<tr>
<th>Unit – Material Covered</th>
<th>Beginning Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit 1 – Chapters 1 and 14</td>
<td>Tuesday, 8/28</td>
</tr>
<tr>
<td>Unit 2 - Chapters 2, 3 and 4</td>
<td>Thursday, 9/6</td>
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<tr>
<td>Unit 3 - Chapters 7 and 8</td>
<td>Tuesday, 9/20</td>
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<tr>
<td>Unit 4 - Chapters 9, 10, 15, and 16</td>
<td>Tuesday, 10/2</td>
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<tr>
<td>Unit 5 - Chapters 18, 19 and 20</td>
<td>Tuesday, 10/23</td>
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<tr>
<td>Unit 6 - Chapters 5 and 6</td>
<td>Tuesday, 11/6</td>
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<tr>
<td>Unit 7 - Chapters 12, 13, 21 and 22</td>
<td>Tuesday, 11/20</td>
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