

Minnesota State University Moorhead

FINC 354: Real Estate Finance and Investments

A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: 3

Lab Hours/Week: 0

OJT Hours/Week: *.*

Prerequisites:

This course requires the following prerequisite
FINC 340 - Financial Management

Corequisites: None

MnTC Goals: None

This course is a study of valuation, financial analysis, and investment analysis of real estate. Real estate development and financing sources are examined. Federal income taxes as they affect real estate investment are also considered.

B. COURSE EFFECTIVE DATES: 06/01/1995 - Present

C. OUTLINE OF MAJOR CONTENT AREAS

1. Legal Concepts
2. Mortgage Securitization
3. Real Estate Investment Trusts (REITs)
4. Real Estate Investment Performance and Portfolio Considerations
5. Notes and Mortgages
6. Fixed Rate and Adjustable Rate Mortgages
7. Residential Financial Analysis
8. Introduction to Income-Producing Properties: Leases, Rents, and the Market for Space
9. Valuation of Income Properties: Appraisal and the Market for Capital
10. Investment Analysis and Taxation of Income Properties
11. Financial Leverage and Financing Alternatives

D. LEARNING OUTCOMES (General)

1. Identify important legal documents used in real estate transactions.
2. Compare alternative mortgage instruments and their mechanics.
3. Differentiate characteristics of fixed rate mortgage loans.
4. Review characteristics of adjustable rate mortgages.
5. Examine alternative financing proposals for owner-occupied residential properties
6. Discriminate important aspects of income producing property investments such as leases, rent contracts and space market dynamics.
7. Investigate income producing real estate investments with alternative financing proposals
8. Explore characteristics of securitized mortgages.
9. Distinguish the basic structure of Real Estate Investment Trusts (REITs) and evaluate investment prospects of an actual REIT based on its Net Asset Value (NAV).
10. Define the role of direct and/or indirect real estate investments in a well-diversified portfolio.

E. Minnesota Transfer Curriculum Goal Area(s) and Competencies

None

F. LEARNER OUTCOMES ASSESSMENT

As noted on course syllabus

G. SPECIAL INFORMATION

None noted