

# RE C140: REAL ESTATE FINANCE

Item	Value
Top Code	051100 - Real Estate
Units	3 Total Units
Hours	54 Total Hours (Lecture Hours 54)
Total Outside of Class Hours	0
Course Credit Status	Credit: Degree Applicable (D)
Material Fee	No
Basic Skills	Not Basic Skills (N)
Repeatable	No
Open Entry/Open Exit	No
Grading Policy	Standard Letter (S), • Pass/No Pass (B)

## Course Description

Students will learn the sources of funding for real estate loans including terminology, appraisal for real estate, math for real estate as well as appropriate economic and legal terms. Included are open-end trust deeds, ARM loans, conventional, VA, FHA loans, the secondary mortgage market, the Federal Reserve, discount rates, and construction loans. Qualifying the property and borrower will also be discussed. Transfer Credit: CSU.

## Course Objectives

- 1. Given a lending scenario, calculate the debt-to-income ratios allowable, the actual debt-to-income ratios, the income needed to qualify for a desired loan amount, and the loan amount the borrowers qualify for with a given income level and debt level.
- 2. Given a mathematical situation, solve/find the missing variable of a problem when three or four variables are known; find the payment when the loan amount, interest rate, and term are known; find the interest rate when the loan amount, payment, and term are known; find the term when the payment, loan amount, and interest rate are known.
- 3. Describe the difference between a conforming loan and a non-conforming loan and compare and evaluate the difference between a conforming and a non-conforming loan.
- 4. Identify and demonstrate a basic understanding of commonly used terminology in the financing/lending industry, including the Fannie Mae loan application (1003), the Good Faith Estimate, The Truth in Lending disclosures, and various other forms and worksheets
- 5. Describe differences between a government loan and a non-government loan, and compare and evaluate the differences between government insured loans and conventional loans.

## Lecture Content

Types of lenders Government loans like FHA, VA, and Farm loans Qualifying for a Conventional loan (SFR and units) Qualifying for a Government loan both FHA VA Qualifying for a first second trust deed, together Importance of the Good Faith Estimate Using lenders from out-of-state Sellers Financial Disclosure Statement Various types of

loan programs available Types of documents used. (Trust Deeds, Notes, Mortgages)

## Method(s) of Instruction

- Lecture (02)
- DE Online Lecture (02X)

## Instructional Techniques

A variety of instructional techniques will be employed to encompass different student learning styles. These may include, but are not limited to, lecture, discussion, projects and small group activities. Instruction will be supplemented, where appropriate, by digital media presentations resources, guest speakers and field trips.

## Reading Assignments

Required manuals, documents, license agreements, textbook readings and industry updates.

## Writing Assignments

Weekly projects, plans, revisions, discussion topic responses that will demonstrate application of concepts through industry simulated projects.

## Out-of-class Assignments

Read/View the required materials, conduct appropriate research, prepare documents/plans, complete and revise projects, and prepare for quizzes/exams.(email, discussion board, or virtual chat).

## Demonstration of Critical Thinking

Projects will be completed to demonstrate competencies in the workplace in relation to industry standards in the areas of real estate salesperson, brokering and lending. Written assignments, projects and skills demonstration.

## Required Writing, Problem Solving, Skills Demonstration

Given a specific scenario, students will determine the appropriate form and contract needed to complete the transition and will provide the necessary information for that document to be submitted for funding.

## Eligible Disciplines

Business: Master's degree in business, business management, business administration, accountancy, finance, marketing, or business education OR bachelor's degree in any of the above AND master's degree in economics, personnel management, public administration, or Juris Doctorate (J.D.) or Legum Baccalaureus (LL.B.) degree OR bachelor's degree in economics with a business emphasis AND master's degree in personnel management, public administration, or J.D. or LL.B. degree OR the equivalent. Master's degree required. Real estate: Any bachelor's degree and two years of professional experience, or any associate degree and six years of professional experience.

## Textbooks Resources

1. Required Huber, W. Real Estate Finance Brokering, 8th ed. Educational Textbook Co., 2017 Legacy Textbook Transfer Data: 9781626841789

## Other Resources

1. Coastline Library