

RE 14A - REAL ESTATE FINANCE I

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ElCamino: www.elcamino.edu MyECC

Homepage <http://www.elcamino.edu/faculty/dgrogan>

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Phone: (310) 660-3593

Campus Office: Comm301J

Office Hour: See homepage "Calendar"

Required Course Materials:

- **California Real Estate Finance***, by Rockwell Publishing Co., newest edition; BUNDLED* with course entry KEY CODE and student guide.
- **California Real Estate finance, Student Study Guide**, by the California Community Colleges, Real Estate Education Center, Modesto, newest edition.
- **Realty Bluebook**, "Financial Tables", (NOT words "Blue Book 32"-You want the one with all the tables of numbers), newest edition, Dearborn Publishing.
- **Financial Calculator:**
<http://www.elcamino.edu/faculty/dgrogan/calc/calc.html>
(Class demonstration found on Calendar)
- **Internet** access
- **#882 Scantron**
- **#2 Pencil**

* Note: You MUST buy this text from the bookstore. A used book cannot be used, because you receive a unique *Key Code* to log on to your own online account with the text and guide that you purchase from the bookstore. If you do not have this course text and guide and key code, you will NOT be able to access the online course and test.

Course Description: (3 units, college-level, semester course)

This course provides instruction on the various aspects of finance, including fixed and variable rate loans, conventional and government financing programs, and creative financing options. Students will calculate unpaid loan balance, interest and qualifying ratios.

Note: The California Department of Real Estate (DRE) has approved this course for the salesperson license requirement for one of the elective courses, in addition to the required Real Estate Principles and Real Estate Practice courses. The California DRE requires broker license applicants to successfully complete this statutorily required course. For the most current update: (See ECC Catalog for current update or the DRE site. <http://www.dre.ca.gov/> or <http://www.dre.ca.gov/>).

Prerequisites:

Recommended Preparation: Real Estate 11 or concurrent enrollment or California Department of Real Estate (DRE) license or equivalent experience; and Business Math.

Content:

The course will focus upon the Student Learning Objectives (SLOs) objectives as outlined below and the Course Objectives found below, in addition to objectives at the beginning of each chapter in the student study guide and the official course outline. Activities will include note discussion, quizzes and tests, plus an individual student project completed outside of class. All tests materials are taken from the required materials and some are completed online. REMEMBER TO BOOKMARK (or add to favorites) the MyECC college homepage and the instructor homepage sites to access the class and college materials more quickly!

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Course Objectives:

This course is designed to reflect on the nature of real estate finance in a practical framework, as applied to business in our society. As individuals make choices in personal, business and professional practices, an introduction to the ethical development and understanding about the responsibility an individual has to the real business and to the society is vital to success in today's real estate careers, while keeping the purpose and profitability of the organization and the individual in the foreground. As a result of this course, the students will be able to:

During the semester:

1. Read assigned materials in advance of class, on time, and be ready to discuss the materials.
2. Access the materials via the Internet and complete assignments on time.
3. View the videos, complete the exercises and participate in interactions with others.

After the semester:

1. The student will demonstrate knowledge of how to use real estate finance calculations, including, but not limited to the following examples:
 - a. Use amortization tables for loan payoff balance, loan payments and discount points using the Realty Bluebook.
 - b. Use financial calculator to compute data, such as the HP, Texas Instrument, or Real Estate Master (Calculated Industries).
 - c. Calculate capitalization rate, points, discounts, yields, qualification ratios and fees.
2. The student will demonstrate how to identify and describe:
 - a. Features of financial instruments.
 - b. Loan types and their features.
 - c. The loan alternatives.
 - d. The loan process.
3. The student will demonstrate the ability to:
 - a. Outline the aspects of the secondary money market
 - b. Analyze alternatives for a turned-down loan package
 - c. Explain institutional and non-institutional lender criteria.

S.L.O. (Student Learning Outcomes):

Calculate typical real estate math computations :

<http://www.elcamino.edu/faculty/dgrogan/ALLCLASSES/SLO/CALCSLO.pdf>

Accessing Your Course: You will use several elements for this course:

1. El Camino College (ECC): You will need an ECC Student ID Number and use MYECC to access your personal access. Make sure you are officially enrolled. If you do not pay by the deadline, the college automatically deletes you from the class. It is the student's responsibility to drop if you do not want to receive "F" for not attending. Go to the Instructor Home Page to access the course information. (www.elcamino.edu/faculty/dgrogan) The syllabus, vocabulary test, projects and similar are located on this site.

A. Home page: www.elcamino.edu/faculty/dgrogan for instructor home page.

B. Email:

- (i.) Course email: After the first week of class, use RE14AFinance@gmail.com instead of dgrogan@elcamino.edu. Before you ask questions, please make sure you have read the FAQs (Frequently Asked Questions) on the instructor home page.

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(ii.) Student email: El Camino has assigned each student a free email to use for school activities. Your email address is the first initial of your first name, your last name, @elcamino.edu.

2. Publisher Web Site: To access the course, you will need an El Camino Student ID Number, a unique User ID and Password. Log onto (www.rockwelleducation.com/cc) and enter the Key Code (located on the direction card in the student guide). You must complete the course information in the corresponding fields, including your course ECC Student ID #. Then, clicking the "Submit" button. You will thereafter be assigned a User ID and Password. This information will allow you to log into your account and begin your course.

PRINT AND SAVE THE USER ID & PASSWORD FOR FUTURE COURSE ACCESS.

All chapter quizzes, the midterm and final exam are located on this site.

REMEMBER: WRITE DOWN YOUR USER ID AND PASSWORD FOR EACH SITE. STORE THE INFORMATION IN A SAFE PLACE WHERE YOU HAVE EASY ACCESS FOR FUTURE REFERENCE

REMEMBER TO BOOKMARK (or Add to FAVORITES) THIS SITE TO ACCESS YOUR ONLINE CLASS MORE QUICKLY!

Please refer to the instructor home page and review "Calendar" for each month, which also shows when assignments are due.

SAMPLE ASSIGNMENTS: The student will calculate the buyer's financial costs for a HUD/RESPA financial disclosure sheet to estimate the buyer's proposed closing costs.

1. The student will demonstrate the ability to take a buyer who is turned down for a loan qualification and show how the loan can be resubmitted to a lender with approval by changing the loan package so that the buyer would qualify favorably.
2. The student will demonstrate the ability to take a prospective purchaser and calculate sheets for VA, FHA, and conventional loan ratios to determine the maximum loan amount for which he or she would qualify.

Office Hour: If you have any questions about the assignments, challenge exercises, exams, grading, or anything else, you are encouraged to either e-mail or give me a call (310) 660-3593 ext 3786, during my office hour (posted under "Calendar" on left sidebar of instructor homepage <http://www.elcamino.edu/faculty/dgrogan>). Because the instructor is a licensed broker, no advice on personal transactions or any transaction involving another licensed agent may be given to the student in the course, in compliance with the Code of Ethics. Email responses may be sent to you at any time, but do not expect a email or phone response reply except during the official college office hours for the instructor: Tuesday afternoon. The college requires the instructor to teach five (5) courses containing appx. 45 students in each class. The instructor cannot answer each of the 225 students, individually, with detailed answers each week. The instructor limits total contact to once weekly. Review the FAQs on the instructor main home page.

Read the Instructor Policy on the instructor homepage, which is incorporated as part of this syllabus.

Course Activities:

ALL WORK IS DUE BY 9 A.M. EACH MONDAY FOR THE WORK DUE FOR THE PRECEEDING WEEK and late at 9:01AM. for ½ credit. Some materials may be required to be submitted to the instructor via U.S. mail or by delivery to the instructor's college mailbox.

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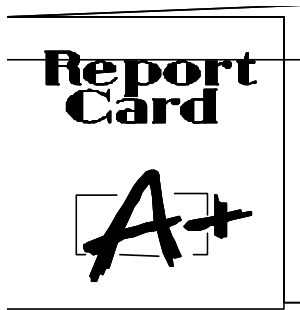
Course Time and Work Information:

The course content will focus upon the objectives as outlined above, taken from the official course outline of record. Coursework activities include:

- Reading: a high level of reading skills are used. You cannot multi-task, like in a live class (i.e., listen to discussion, skim chapter and mark quiz answer), when doing online materials (you have to go through and reach each screen, complete the reading before you have access to the test materials, read and mark your selected answer online), Online takes MORE not less time. Plan accordingly.
- Pre Test: Allow up to 2 ½ hours to complete the pretest to see where your knowledge level begins. This will be compared to your final exam to measure your improved progress. The Pre Test score is NOT calculated in your grade, but completion is required before you can access other test materials. You will not see the grade as this is a benchmark.
- Challenge Exercises: You must complete the 6-12 questions in the various section modules in each chapter before you may take the Chapter/Cumulative Quiz to move forward. These consist of multi-choice, fill-in-the-blanks, etc. This is practice. No points.
- Chapter/Cumulative Quizzes. You must complete the questions for the current chapter before you may move forward to the next chapter. YOU ARE allowed several attempts to aid in your learning, but ONLY the FIRST attempt is recorded for your grade. These are due weekly by 9:00 AM each Monday or by the first weekly class meeting.
- Study Guide Chapter Quiz: Class presentation will include PowerPoint showing the fill-in-the-blank answers that you will need to answer the chapter quiz. Class attendance, lecture and discussion are part of the study guide work. Place your answers to each chapter quiz on a #882 Scantron using a #2 pencil. Erasures marked wrong will not be changed.
- Calculator Exercise. Week 3 of each semester the live, on-campus class will have a Calculated Industries Real Estate Master/Plus demonstration (obtain online at the company, Amazon, or at local South Bay Association of Realtors on Arlington, just south of Sepulveda, in Torrance). The Texas Instruments (TI) and Hewlett Packard (HP) will not be demonstrated in class. You may use a financial calculator for this class. All online students are invited to check the class schedule to see if the instructor is giving an on campus Finance class, and if so, online students are invited to attend this one-time demonstration. The Student Study Guide, Chapter 13, Pages 13-19 to 12-42 has finance exercises that are due week 4 and are part of your grade to show proficiency in computational skills.
- Realty Blue Book. This is open-book, take-home work that consists of real estate specific math problems that you would need to know to complete a real estate finance transaction. You will do a practice Problem Work Set that you need to have to your instructor by week 4. This is not calculated as part of your grade. A Realty Bluebook Quiz is due to be received by your instructor week 9 that is scored for your grade.
- Films: Three finance topic film contain several segmented parts with online film viewing and with exercises and a workbook. Before the midterm Conventional Financing is completed. After the midterm Government Financing is completed, followed by a segment on Creative Financing. The exercises are due through out the course as shown on the syllabus. After complete of this materials, you will be given a current sales price for a local property, as shown on the instructor web page for the Lawndale Condo and for the Lomita single family house. You will complete these exercises using the information you obtained from the practice film exercises. Both the practice exercises from the film and the case study on the instructor homepage are used for your grade.
- Mid Term Exam. This covers chapters 1-8 of the bundled textbook and cannot be taken until after you complete the Chapter 8 Chapter/Cumulative Quiz. This is due by 9AM on Monday of week 9.
- Industry meeting: The instructions are found on the instructor web page, along with suggested and approved events that you may attend. This is due no later than week 13. This assignment is optional and used for extra credit.

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- Final Exam. You must complete this by Monday, 9:00 AM on the 16th week of current semester to receive a grade for the class.
- No make-up on any assignment, except according to school mandated policy.
- Late work points, if accepted, will receive one-half credit.
- You must take the final exam and complete the student project to receive a passing grade for this course.



Grading

A=100%-90%	B=89%-80%	C =79%-70%	D=69%-60%	F=Below 60%
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Grading Breakdown:	<u>Points</u>	<u>Due Date**</u>
Textbook Points (Online)		See Calendar
Challenge exercises	-0-	
Cumulative Quiz		
14 chapters @ 20 pts ea	280	Due weekly
Midterm	75	
Final	<u>100</u>	
Total	455	
Film Exercises		
Film: Conventional Finance(11+12+18+15)	56	
Film: Government Finance(17+12+13+11+25)	78	
Film: Creative Finance (6+7+7)	20	
Final Case Study	<u>51</u>	
Total	205	
Study Guide Chapter Quizzes	300	
15 chapters @ 20 pts ea		
Projects		
Study Guide Calculator Exercise	36	
Realty Blue Book	25	
Industry Meeting (Optional – 20)		
Total	<u>61</u>	
TOTAL POINTS		1021

The class motto is same as for the real estate business: Time is of the essence. If you do not complete the work as per the required timeline, your escrow falls out, you do not get paid, and you may lose the client or your hoped-for home. All that work for nothing! The time and date of completion of an email, test or postmark will be a critical part of the class grade. Pace yourself

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and use your time wisely to close that escrow and finish the course by completing work by the time it is due.

Week	Section	Topic/Subjects	Textbook Quiz	Instructor Points	Study Guide Quiz
1	1	Finance and Investment	20		20
2	2	The Primary & Secondary Markets	20		20
3		Calculator Demo: Calculated Industries * (TI & HP not demonstrated in this class) *On Campus class ONLY(online invited)		-0-	
3	3	Residential Mortgage Lenders	20		20
4	4	Government Policy & Real Estate Finance	20		20
		Watch WebPage Conventional Finance.			
5		Calculator exercise (SG 13-20 to 13-43)		36	
5		Blue Book Student Problem Work Set Realty Bluebook Exercise due Week 8			
5	5	Finance Instrument	20		20
6		Conv. Fin.Film: Ex A (11) & B (12) due.		23	
6	6	Basic Features of Residential Loans	20		20
		Realty Bluebook student problem set due		-0-	
7		Conventional Film. Ex. C & D due		18	
7	7	The Financing Process	20		20
8		Conventional. Case Study due		15	
8	8	Qualifying the Buyer	20		20
8		Realty Bluebook Quiz		25	
9		Midterm (online with publisher) Due by wk 9	75		
9	9	Qualifying the Property	20		20
10	10	Conventional Financing	20		20
10		Government. Fin. Film Ex. A (17) + Ex B (12) due		29	
11	11	FHA Insured Loans	20		20
11		Government Film Ex C (13) due & Gvmt Case study due (11 + 25)		13 36	
12	12	VA Guaranteed Loans	20		20
12		Creative financing film Ex. A due		6	
14		Creative Fin. film Ex B (7) & C (7) due		14	
13		Industry Meeting Report (Extra Credit – 20 points)			
14	13	Seller Financing	20		20
15	14	Fair Lending & consumer Protection	20		20
15	15				20
15		Final Examination (online with publisher) Due Noon Fri 15 th week	100		
16		Final Case Study - House		51	

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		TOTAL – 1021	455	266	300
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NO MAKE-UP ON ANY ASSIGNMENT, except according to school-mandated policy.
No late work accepted after Friday, Noon, Week 14.

General Instructions:

1. Emails: After the course begins, send all emails to RE14AFinance@gmail.com. Email your name, address and phone number to this email address. The instructor will use your El Camino email address to send you APPROVED Industry Meetings (see instructor homepage for directions). Please check this email address regularly.
2. Industry Report: See instructions for the on the left sidebar, center section of the instructor homepage. This assignment is optional.
3. Name Card: Print from sidebar of instructor homepage and bring to each on- campus class for 1 point credit for each class where the Instructor Name Card is displayed
4. Welcome Letter: Please read this on the instructor home page.
5. Instructor Policy: Found on the instructor home page, this is incorporated and included as part of the syllabus. Read it at least once.
6. Answer Sheet Instructions: If an assignment requires use of a Scantron scoring sheet, look on the instructor homepage, left side bar for instructions.
7. Student Biography: Complete this (found on the instructor home page, left side bar) and bring it to class or email to your instructor by the 3rd week of class for 1 point extra credit.
8. Course Evaluation: This form is to be completed and received by your instructor no later than the 14th week of class and always prior to the final exam or 5 points will be reduced from your score.

Cheating or Plagiarism

Cheating violates Section 1.B 1 of El Camino College's Board Policy 5138, Standard's of Student Conduct.

The El Camino College faculty, staff and administrators are dedicated to maintaining an optimal learning environment and will not tolerate academic dishonesty. To uphold the academic integrity of the institution, all members of the academic community, faculty and students alike, must assume responsibility for providing an educational environment of the highest standards characterized by a spirit of academic honesty. The following statement is part of Board Policy 5138, Standards of Conduct: "Dishonesty, including but not limited to cheating, plagiarism, or knowingly furnishing false information to the college," When there is evidence of cheating or plagiarism in classroom work, students may receive an F for that piece of work or may be suspended from all classes for that term and the following term if deemed appropriate.

Examples of Cheating or Plagiarism are:

- Representing the words, ideas or work of another as one's own in any academic exercise (plagiarism), including the use of commercial term paper companies;
- Copying or allowing another student to copy from one's paper or answer sheet during an examination;

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- Allowing another individual to assume one's identity for the purpose of enhancing one's grade in any of the following: testing, field trips or attendance;
- Falsifying or attempting to falsify attendance records and/or grade rosters;
- Changing answers on a previously scored test, assignment or experiment with the intent to defraud;
- Inventing data for the purpose of completing a laboratory experiment or case study analysis with the intent of defraud;
- Giving and/or taking information during an examination by any means such as sign language, hand signals or secret codes;
- Obtaining copies of notes, exams or exam questions by any means other than distribution from the instructor. (This includes copying and removing exam questions from the classroom for any purpose.);
- Using study aids such as calculators, tape recorders or notes that have been specifically prohibited by the instructor.

Responsibility of El Camino College Students:

It is the responsibility of each student to conduct him/herself in a manner which encourages learning and promotes honesty; and to act with fairness toward other students in the classroom. This incorporates the notion that students should not seek an unfair advantage over other students when completing an assignment, taking an examination or engaging in any other kind of academic activity.

It is the responsibility of the student to (1) pay required fees to the college or expect to be dropped and not receive a course grade. (2) To handle "add" procedures according to the college policy in order to be enrolled and receive a grade. (3) A student may not "audit" the course, nor attend class if not officially enroller. (4) Handle "drop" procedures by college policy or expect to receive an "F" for the course on the official college transcript. (5) Understand the instructor policies, including that no "incomplete" grade will be given, only letter grades, based upon points earned.

Enrollment Policy:

By the end of the second week, according to school policy, you must be officially enrolled in the course with the college student ID number assigned.

For **New** Students, you must obtain a student ID number, go to www.elcamino.edu – click apply online and complete the registration application. (Note: If you attended the college under another name (married/maiden, etc) make sure the transcript will reflect the name you wish to submit to the state license agency, DRE or OREA).

Instructor Drop:

The instructor will drop all students at the beginning of the 3rd week: (1) If you are able to access the course material but do not log on with the publisher ID & Password; and (2) You do not log on with the instructor with the college ID number, and (3) You do not complete the chapter 1 & 2 Challenge Exercises and Chapter Quiz at the end of Chapter 1. You may expect to be dropped from the roster and your place in this limited enrollment class may be given to a student on the "wait list."

Student Withdrawal:

It is the student's responsibility or they may expect to receive a letter grade. At the end of the course, if a student is enrolled they receive a letter grade as no "Incomplete" is used. Students who receive a "W" and have officially withdrawn from the course are permitted to re-enroll a second time. To receive a refund of any fee, you must follow the college process, as defined in the college *Schedule of Classes*. **Repetition:** Students may repeat a course in which they have received a D or F letter grade only once with the college. Students may not repeat the course in which they have

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earned a grade of A, B or C. Upon completion of the repeated course, the previous grade is disregarded and the new grade substituted in computing the grade point average (GPA).