

**CUYAMACA COLLEGE**  
**COURSE OUTLINE OF RECORD**

**REAL ESTATE 192 – REAL ESTATE FINANCE**

3 hours lecture, 3 units

**Catalog Description**

Analysis of real estate financing including lending policies and problems in financing transactions in residential, apartment, commercial and special purpose properties. Methods of financing properties are emphasized.

**Prerequisite**

None

**Course Content**

- 1) Financial Technology (FinTech), the Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act) and the Federal Reserve (Fed)
- 2) The Real Estate Cycle and the Secondary Market
- 3) Loan Fund Sources for the Primary Market
- 4) The Secondary Market and Federal Credit Agencies
- 5) Ethics, Fraud, Consumer Protection and Fair Lending
- 6) Federal Regulations
- 7) Finance Instruments
- 8) Overview of the Loan Process
- 9) Conventional Financing
- 10) Alternative Financing
- 11) Government Lending Programs
- 12) Seller Financing
- 13) Qualifying the Borrower
- 14) Qualifying the Property
- 15) State Licensing Requirements

**Course Objectives**

Students will be able to:

- 1) Acquire the broad theoretical knowledge necessary to successfully carry out the many real estate financial transactions they are likely to encounter.
- 2) Obtain the essential practical knowledge necessary to complement the theoretical background.
- 3) Understand many complexities of the field and thus be in a position to better serve others as well as themselves.
- 4) Learn the necessary real estate finance material to successfully complete the finance section of California's real estate broker's examination.

**Method of Evaluation**

A grading system will be established by the instructor and implemented uniformly. Grades will be based on demonstrated proficiency in subject matter determined by multiple measurements for evaluation, one of which must be essay exams, skills demonstration or, where appropriate, the symbol system.

- 1) Quizzes and Exams (objective)
- 2) Written assignments (subjective)
- 3) Practical in-class exercises

- 4) Small group activities
- 5) Final exam

**Special Materials Required of Student**

None

**Minimum Instructional Facilities**

Smart classroom

**Method of Instruction**

- 1) Lecture with supplemental PowerPoint
- 2) Active participation
- 3) Small group activities with practical exercises
- 4) Internet resources
- 5) Guest speakers

**Out-of-Class Assignments**

- 1) Reading assignments
- 2) Short writing assignments
- 3) Short research assignments

**Texts and References**

- 1) Required (representative example): Huber and Zozula, Real Estate Finance, 8th ed., Educational Textbook Company, Covina, CA, 2017
- 2) Supplemental: None

**Student Learning Outcomes**

Upon successful completion of this course, students will be able to:

- 1) Identify and describe sources and type of funds used in real estate transactions and evaluate which source is most appropriate for mortgage and lending.
- 2) Solve real estate financing problems. Use finance terms to explain important finance concepts and complete an FNMA/FHLMC Uniform Residential Application form.
- 3) Identify, compare, and contrast supplements and alternatives to mortgage financing, describe and evaluate the difference between institutional lenders and their source of funds, identify creative or alternative financing options in a given situation, and identify the concerns a lender might raise in qualifying a borrower for a loan.
- 4) Determine the most appropriate course of financing from the point of view of each of the parties to the transaction.