

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): *California Real Estate Finance*, 10th ed., Mbition Publishing, 2021.
- 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. (Work Based Learning Outcome).
- 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 ethical course of financing from the point of view of each of the parties to the transaction.