



Lincoln University

BA 464 – Investments (Real Estate)

COURSE SYLLABUS Spring 2021

Instructor: Prof. Daniel Sevall
Lecture Schedule: Wednesday, 6:30 PM – 9:15 PM
Credits: 4 units: 3 units / 45 lecture hours + 1 unit individual research project

Zoom link for class will be sent via email

Level: Mastery 2 / Research (M2R)
Office Hours: Wednesdays, 2:30 PM – 3:30 PM via Zoom by appointment
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Main Textbook: Real Estate Principles: A Value Approach
Author: David Ling
Publisher: McGraw Hill
ISBN: 0073377341
ISBN-13: 978-0073377346
Release Date: Dec 18, 2012

Supporting Cases will involve areas in the SF Bay Area, Detroit

Prerequisite: BA 303
Last Revision: January 10, 2021

CATALOG DESCRIPTION

An in-depth study of real estate investments including the nature of real property, market analysis, construction cycles, mortgage lending, equity investment, metro area growth, urban land use, the effect of credit on demand, equity investment criteria, real property valuation and public policies, as well as current news and market conditions in both the United States and international real estate markets will be covered in the course. A one-unit written research project and its oral presentation are required for the course. (4 units)

LEARNING OBJECTIVES

By the end of the course, students should be able to:

- Understand the nature of real estate markets for both residential and commercial-type properties
- Calculate the Real Estate Property Value
- Articulate the issues around government controls of the real estate market
- Comprehend and discuss the nuances of real estate contracts

- Conduct a valuation of real estate property
- Assess the market determinants of value
- Perform basic ratio analyses for real estate investment decisions
- Identify major issues surrounding taxation.

COURSE LEARNING OUTCOMES¹

	Course LO	Program LO	Institutional LO	Assessment activities
1	Understand the nature of real estate markets for both residential and commercial-type properties	PLO 1	ILO 1c, ILO 2c	Midterm and Final Exam
2	Calculate the Real Estate Property Value	PLO 2	ILO 1c, ILO 2c, ILO 7c	Midterm and Final Exam
3	Conduct a valuation of Real Estate Property and assess the market determinants of real estate value	PLO 3	ILO 1c, ILO 6c	Course Project; Midterm and Final Exam
4	Articulate the nuances of Real Estate contracts	PLO 2	ILO 1c, ILO 2c, ILO 7c	Course Project and Final Exam
5	Perform basic ratio analysis and identify the major issues surrounding property taxes	PLO 3	ILO 1c, ILO 6c	Final Exam

INSTRUCTIONAL METHODS

The emphasis will be on learning by doing. It is highly recommended to bring a laptop to every class. This laptop should have Microsoft Excel installed, as this is a quantitative course. Every student must participate in an intensive classroom activity. Reading, writing, and problem solving assignments will be made throughout the course.

Assignments and projects require students to actively use resources of the library. Detailed guide to business *resources of the library* as well as the description of Lincoln University approach to *information literacy* are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

ONLINE COMPONENTS OF THE COURSE

I will create a Canvas site as a means of posting information, and offering an opportunity for you to ask questions regarding course material. I will plan on adding students to the Canvas site, once the class rosters are finalized.

ACADEMIC HONESTY HONOR CODE

The faculty, administration, and staff recognize their obligation to provide continuing guidance as to what constitutes academic honesty and to promote procedures and circumstances that will reinforce the principle of academic honor. Fundamental to the principle of independent learning is the requirements of honesty and integrity in the performance of academic assignments, both in the

¹ Detailed description of learning outcomes and information about the assessment procedure are available at the [Center for Teaching and Learning](http://ctl.lincolnuca.edu) website (ctl.lincolnuca.edu).

classroom and outside. Students should avoid academic dishonesty in all of its forms, including plagiarism, cheating, and other forms of academic misconduct. The University reserves the right to determine in any given instance what action constitutes a violation of academic honesty and integrity.

DIVERSITY

A diverse classroom is a better classroom. Sharing our experiences and our ideas contribute to our better understanding of the material. I will be committed to ensuring that all students receive the attention needed to grasp the key accounting concepts for this class. To that end, all questions relating to the course material will be answered in a timely fashion.

REQUIREMENTS

All students are required to attend the class. Continuous assessment is emphasized. Students must complete all assignments and take all quizzes, mid-term exam and final exam **ON THE DATES DUE**. Plagiarism will result in the grade “F” and a report to the administration.

ASSESSMENT

A. Exams:

- Students must take a midterm and a final exam. The midterm will cover material from the first half of the course. The final exam is *comprehensive* and covers the material from the entire semester.
- Make-up exam policy: Students must take the exams as scheduled. No make-up exam will be given.
- Partial Credit is awarded on exams for problems (not multiple choice) when the computations are shown. Show all work on problems for maximum partial credit.
- Students may use laptops or programmable calculators. While these may help students in the calculation of certain accounting problems, ultimately the student will need to use critical reasoning to be successful in this course.
- Students may e-mail me to be informed of their respective grades.

B. Homework:

- Homework sets and due dates will be posted regularly.
- Solutions to some homework problems will be reviewed in class.
- Critical thinking essay, cases, and problems are included as part of the regular homework and class demonstration problems.

INDIVIDUAL RESEARCH PROJECT (1 unit):

Each student registered for a 400-level course must complete a one unit research project in addition to the coursework described in this syllabus. The specific topic will be assigned by the instructor.

The project requires 45 hours of self-study with regular consultations in accordance with the schedule determined by the instructor. The project work results in a written report (not less than 15 pages; APA style) and an oral presentation during the class session.

Evaluation of the student's work will be done using the following rubric:

WRITTEN REPORT				
	<i>Exceeds Standards</i>	<i>Meets Standards</i>	<i>Does Not Meet Standards</i>	<i>Not Present</i>
<i>Research Problem Statement</i>	The statement of a research problem is crystal clear, novel and thought provoking	Clearly and concisely identifies a research problem	The statement of a research problem is incomplete, lacking precision.	The statement of a research problem is absent.
<i>Organization</i>	The report is logically organized; ideas are exceptionally well-developed and support a thoughtful and engaging conclusion.	The development of ideas is present; the conclusion is effective and directly addresses the original thesis.	Organization is confusing, disjointed, and inconsistent; ideas, if present, are not developed; the conclusion is vague and/or does not address the original thesis.	The report lacks organization
<i>Sources and formatting</i>	A variety of high-quality sources is used; all factual claims are supported with citations. The report follows the APA style guidelines.	A few high- quality sources are used; majority of factual claims are supported with citations The report mostly follows the APA style guidelines.	Sources used are of a questionable quality; factual claims are not supported. Use of APA style is inconsistent.	Sources are not identified or of a poor quality; factual claims are unsubstantiated. The report is poorly formatted.
PRESENTATION				
	<i>Exceeds Standards</i>	<i>Meets Standards</i>	<i>Does Not Meet Standards</i>	
<i>Style and Organization</i>	Presentation is clear, confident and fully engaging; the use of visual aids enhances its effectiveness; the presentation is well-timed and structured.	Presentation is clear; the use of visual aids is not detrimental to audience engagement; all necessary components are given appropriate time.	Presentation lacks clarity, no attempt is made to engage the audience; visual aids are haphazard and distracting; lack of structure results in an inefficient use of time.	
<i>Questions and Answers</i>	Student demonstrates extensive knowledge of the topic by providing confident, precise and appropriate responses to all audience question.	Student demonstrates knowledge of the topic by responding adequately to questions of the audience.	Student demonstrates lack of knowledge of the topic by responding inaccurately and inappropriately to audience questions.	

GRADING AND ASSESSMENT CRITERIA

Midterm	20%
Class Contribution (Homework Review)	10%
Case Analyses	20%
Individual Research Project	25%
Final	25%
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Total	100%

Letter grades will be given based on the following scaling:

Grade	A	B	C	D	F
Points	90-100	80-89	70-79	60-69	0-59

Per the Grade Policy Change memorandum dated April 13th, 2020, grades from B- to D will be awarded a CR. A grade of an F will be awarded as NC.

EXPECTATIONS FOR STUDENTS**A. Attendance:**

- Attendance at all classes is essential to acquiring the requisite information for successful completion of this course. The topics covered in this course are much related to each other. If you miss a lecture, it would be hard to catch up. Roll will be taken at the beginning of each session. Students are expected to show up to every class meeting and stay for the entire period.
- Students may attend either session of the lecture as space permits. Students must attend the exams during the session in which they are registered unless prior permission is obtained.
- Students are required to inform the instructor in advance by email or verbally in case of not being able to attend class.

B. Class Participation:

- Class participation is very essential to learning this subject. Be prepared to participate in class discussions (answering the questions and solving the problems), group work, and reviewing the homework.

C. Student Code of Conduct:

- Students are expected to respect the instructor and each other. Students must turn off their cell phones and pagers during the entire class time.

COURSE SCHEDULE

Include dates of class meetings, topic, assignments, and assignment due dates.

Session 1: The Nature of Real Estate and Real Estate Markets

Session 2: Value and Real Estate Decisions

Session 3: Legal Foundations to Value

Session 4: Conveying Real Property Interests

Session 5: Government Controls and Real Estate Markets

Session 6: Market Determinants of Value

Session 7: Valuation Using Sales Comparison and Cost Approaches; Valuation Using Income Approach

Midterm

Session 8: Real Estate Finance: The Laws and Contracts

Session 9: Residential Mortgage Types and Borrower Decisions

Session 10: Mortgage Calculations and Decisions/Contracts for Sale and Closing

Session 11: Commercial Mortgage Types and Decisions

Session 12: Commercial Mortgage Types and Decisions

Session 13: Sources of Commercial Debt and Equity Capital

Session 14: Investment Decisions; Income Taxation and Value

DISCLAIMER

This syllabus is subject to modification. I am committed to letting students know changes to the syllabus as soon as feasible.