Instructor and contact information:

Hugh A. Hobson  
Hhobson2@gmu.edu  
Office hours—Before & After Class, and by appointment  
Note: No GMU Office or Phone Available  
Blackboard site:  http://courses.gmu.edu  
Class:  Planet, Room 120, Tuesday 7:20 – 10:05 p.m.

Prerequisites:  FNAN 301 and FNAN 351

Materials:

*Real Estate Finance and Investments* by Brueggeman and Fisher, 14th ed., 2011

A financial calculator and proficiency in using is required. IF you need a new calculator, I suggest the H-P 10bII. Alternatively, any financial calculator that has an amortization function is probably acceptable.

Proficiency in Excel is also required and assumed.

occasional articles

Course description and objectives:

This course provides an in-depth examination of real estate investing and financing decisions. It will build on concepts, models, and analytical approaches developed in the prerequisite courses. While the focus is on decisions, the course will also cover institutional material that is important for understanding real estate assets and markets. The course will emphasize income-producing real estate, but some attention will be devoted to issues involving owner-occupied housing.

At the end of the course, students should be able to:
• develop and analyze information for projecting the performance and risks of real estate assets;
• use appropriate techniques for analyzing decisions about the acquisition and disposition of real estate assets;
• analyze the effects of alternative approaches for financing specific investments in real estate;
• understand the advantages of alternative structures for organizing the ownership of real estate;
• examine the suitability of real estate investments from the perspective of specific investors.

Course Requirements:

Graded assignments will consist of three tests (75 minutes each), a final exam, and class assignments and participation. Depending on the situation, some of the class assignments may be completed during class, while others will be done outside of class. In either case, the assignments are to be done on an individual basis. Regular contributions to class discussions of case studies are expected.

For determining course grades, the requirements will be weighted as follows:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Each test</td>
<td>22%</td>
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<tr>
<td>Final exam</td>
<td>24%</td>
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<tr>
<td>Class work</td>
<td>10%</td>
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In determining the course grade, a numerical average of all work will be computed. To convert the averages to letter grades, the starting point will be categories bracketed by 90, 80, etc. In assigning course grades, adjustments may occur based on actual class performance, and +/- grades may be awarded.

Honor Code:

Students are expected to observe fully the GMU Honor Code.

DRC Statement:

If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability Services (ODS) at 703-993-2474. All academic accommodations must be arranged through the ODS.

Excused Absences from Exams:

Excused absences from tests will be permitted only in rare cases of genuine emergencies. In other cases, the final average of all work will be computed on the basis of tests taken, with appropriate reweighting.
Requests for permission to reschedule a final exam will be handled according to the guidelines and procedures of the SOM Office of Academic and Career Services.

**Tentative Topics & Chapter Reading Assignments:**

**Introduction to Real Estate Concepts:**
- Chapter 1: Real Estate Investment: Basic Legal Concepts
- Chapter 2: Real Estate Financing: Notes & Mortgages
- Chapter 3: Mortgage Loan Foundations: Time Value of Money
  
  *Note: Not Covered in Class*

**Mortgage Loans & Mortgage Calculation**
- Chapter 4: Fixed Interest Rate Mortgage Loans
- Chapter 5: Adjustable & Floating Rate Mortgage Loans

**Income Producing Properties – Basic Concepts:**
- Supplemental Problems: “Apartment Complex Problem” & “Office Complex Problem”. (see web page)
- Chapter 9: Income Producing Properties: Leases, Rents & the Market for Space
- Chapter 11: Investment Analysis & Taxation of Income Properties.

**Income Producing Properties – Additional Concepts:**
- Chapter 14: Disposition & Renovation of Income Properties
- Chapter 16: Financing Project Development

**Additional Topics in Real Estate Financing:**
- Chapter 7: Single Family Housing: Pricing, Investment, & Tax Considerations
- Chapter 6: Mortgages: Additional Concepts, Analysis, & Applications
- Chapter 15: Financing Corporate Real Estate
- Chapter 18: Structuring RE Investments: Organizational Forms & Joint Ventures

**FINAL EXAM:**
- Tuesday, May 14th, 7:30 p.m. to 10:15 p.m.