

## COURSE OUTLINE

COURSE NAME Introduction to Real Estate Analysis  
COURSE NUMBER MKTG 3313 DATE FALL, 1997  
Prepared by David Westcott | Taught to Second Year  
School Business | School Business  
Program Marketing Management | Program Marketing Management  
Date Prepared August, 1997 | Option Real Estate Studies  
Term 3 Hrs/Wk 4 Credits 4.0  
No. of Weeks 14 Total Hours 56

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Instructor David Westcott Office SE 6-316 Local 6763  
Office Hours As posted at office  
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PREREQUISITES - Business Mathematics or equivalent  
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COURSE SUMMARY

The course will focus on the following general areas:

Basis of Financial Analysis  
Interest Rate Equivalency  
Analysis of Financial Flows and Investments  
Outstanding Balances and Related Topics  
Yields, Bonuses and Discounts  
Financing and Property Prices  
Real Estate Investment and Reinvestment

EVALUATION

Final Examination	<u>40</u>	<u>%</u>
Mid-Term	<u>30</u>	<u>%</u>
Participation	<u>10</u>	<u>%</u>
Quizzes	<u>20</u>	<u>%</u>

ATTENDANCE REQUIREMENTS WILL BE ENFORCED AS PER THE BCIT POLICY  
ON PAGE 3 OF THE CALENDAR. EXCESSIVE ABSENCE MAY RESULT IN  
FAILURE OR IMMEDIATE WITHDRAWAL FROM THE COURSE OR PROGRAM.  
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RECOMMENDED TEXT

FOUNDATIONS OF REAL ESTATE FINANCING. S.W. Hamilton, David Baxter, and Daniel Ulinder: Real Estate Division, Faculty of Commerce and Business Administration, Vancouver, B.C.

REQUIRED CALCULATOR - BAI Plus, Texas Instruments

HAND-OUTS for lab use and review - Cost \$ 10.00

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COURSE OBJECTIVES

This course introduces the basic tools and techniques of financial analysis - to be applied to investment and mortgage financing situations.

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

1. Differentiate among various types of interest rates and convert from one to another.
  2. Calculate interest adjustment amounts.
  3. Calculate both present values and future values of lump sums, regular and irregular cash flows.
  4. Calculate mortgage loan payments, outstanding balances and final payments.
  5. Calculate yields on mortgage loans with bonuses and/or discounts, both fully and partially amortized.
  6. Calculate bonuses required to "buy-down" an interest rate.
  7. Calculate and state disclosure requirements as required by provincial legislation.
  8. Calculate market values of mortgage loans and assumable mortgages.
  9. Calculate net present values, present value ratios and profitability indices of cash flows.
  10. Apply discounted cash flow techniques to cash flow analysis, allowing for reinvestment variation.
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Tentative Schedule - Subject to change

		<u>Topic</u>	<u>Readings</u>
1.	Sept 11	Financial Analysis	Chapter 1
2.	Sept 18	Interest Rates	Chapter 2
3.	Sept 25	Financial Flows	Chapter 3
4.	Oct 2	Quiz Financial Flows	Chapter 4
5.	Oct 9	Future Values	Chapter 5
6.	Oct 16	Mid-term	
7.	Oct 23	Outstanding Balances	Chapter 6
8.	Oct 30	Outstanding Balances (cont.) Bonuses & Discounts	Chapter 7
9.	Nov 6	Bonuses & Discounts (cont.)	Chapters 7/8
10.	Nov 13	Quiz Bonuses & Discounts (cont.)	
11.	Nov 20	Bonuses & Discounts (cont.) Introduction to RE Investment Analysis	Chapter 9
12.	Nov 27	Introduction to RE Investment Analysis (cont.)	
13.	Dec 4	Review	
14.	Dec 8-12	Final Exam Week	