

**The University of Texas at El Paso
Department of Economics and Finance
Syllabus**

COURSE INFORMATION

CRE 4301: Real Estate Finance

CRN: 23928

Term: Spring 2024

Delivery Method: In-person

Meeting Day and Time: Tuesday and Thursday, 3:00 pm - 4:20 pm

Location: College of Business Admin, Room 312

INSTRUCTOR INFORMATION

Professor: Zifeng Feng

Office Location: College of Business Admin, Room 206

E-mail: zfeng@utep.edu

- Use your official UTEP e-mail.
- Include "CRE4301" in the subject line for all correspondence.

Office Hours:




- Face-to-Face: Wednesday, 10:00 am - 11:00 am, and Thursday, 1:30 pm - 2:30 pm
- Virtual: by appointment only via Teams.

COURSE DESCRIPTION

This course introduces students to real estate cash flow models and tools for ensuring investment decisions are made on wise finance fundamental and to analyze value, risk and return in commercial property markets. The student will be exposed to an overview of the real estate universe through tools such as cash flow models, time value of money, functions of the dollar, discounted cash flow analysis, net present value, cap rates, internal rate of return, and other tools used to compare different types of real estate investments.

COURSE OBJECTIVES AND UNIVERSITY LEARNING OUTCOMES

The main goal of the course is to introduce students to concepts, principles, and theories within the field of real estate finance. By the end of the course, students will be able to:

Student Learning Objective	Outcome
apply appropriate tools and skills to real estate investment opportunities	 Critical Thinking Skills
develop the knowledge and skills required to estimate the value of real estate assets	 Critical Thinking Skills
demonstrate knowledge of residential and commercial mortgages	 Critical Thinking Skills

REQUIRED MATERIALS

Textbook (Recommended):

Real Estate Finance & Investments, 17th Edition,
By William Brueggeman and Jeffrey Fisher

ISBN: 1260734307



Financial Calculator: A financial calculator (TI BA II Plus or other calculator with a Finance or Application keypad) is required. Your calculator should be able to compute the net present value and internal rate of return on an uneven stream of cash flows.

ASSIGNMENTS AND GRADING

Grade Calculation

Schedule 1		Schedule 2	
Course Requirements	Weight	Course Requirements	Weight
Class Attendance	10%	Class Attendance	10%
Homework	20%	Homework	20%
Module 1 Exam	20%	Final Exam	60%
Module 2 Exam	20%		
Module 3 Exam	20%		
Group Project Presentation	10%	Group Project Presentation	10%
Total	100%	Total	100%

Letter Grade

Letter	A	B	C	D	F
Range %	90 - 100%	80 - 89	70 - 79	60 - 69	59 or less

Grade Remark:

- 1) **Grade Dispute:** Grade appeals must be submitted to me, in writing, within one week after the assignment is returned to the student. This written appeal should contain a description of the assignment question, the student's answer, and a detailed objection to the current grade. Please submit this appeal along with the graded assignment that is in dispute.
- 2) **Schedule 2:** Schedule 2 is only available to students who have taken three module exams but want to improve their grades. Schedule 2 could only improve students' grades by one entire letter grade. If a student's letter grade is D/F according to Schedule 1, the best grade the student could get via Schedule 2 is C. If a student's letter grade is C according to Schedule 1, the best grade the student could get via Schedule 2 is B.

Attendance: Class attendance is very important. Experience indicates that students who attend class regularly perform better on exams than those who do not attend. As such, ten random in-class attendance checks will be taken throughout the semester. Attendance checks will be conducted during the first five minutes of class.

You only need six of the ten attendance checks to receive 10 points. For each less attendance, you will lose 2 points.

Homework: Homework assignments are collected and graded via Blackboard. Homework solutions will be available via Blackboard.

Module Exams: The module exams are NOT cumulative. The exams will be based on assigned readings, lectures, weekly quizzes, and module problem sets. There will also be a final exam. The highest of the average of the three in-term exams or the final exam will be counted as the grade for exams.

Final Exam: There will also be a final exam available to students who want to improve their grades based on Schedule 1. The final exam is cumulative.

Group Projects: The group project aims to get students familiar with the technical side of different mortgage types and their effects on the net present value (NPV) and internal rate of return (IRR) of a

commercial real estate project. Detailed instructions will be posted on Blackboard by the end of February.

TECHNOLOGY REQUIREMENTS

Some course content is delivered via the Internet through the Blackboard learning management system. Ensure your UTEP e-mail account is working and that you have access to the Web and a stable web browser. Google Chrome and Mozilla Firefox are the best browsers for Blackboard; other browsers may cause complications. When having technical difficulties, update your browser, clear your cache, or try switching to another browser.

You will need to have access to a computer/laptop. You will need to download or update the following software: Microsoft Office, Adobe Acrobat Reader, Windows Media Player, QuickTime, and Java. Check that your computer hardware and software are up-to-date and able to access all parts of the course.

If you do not have word-processing software, you can download Word and other Microsoft Office programs (including Excel, PowerPoint, Outlook and more) for free via UTEP's Microsoft Office Portal. Click the following link for more information about [Microsoft Office 365](#) and follow the instructions.

IMPORTANT: If you encounter technical difficulties beyond your scope of troubleshooting, please contact the UTEP [Help Desk](#) as they are trained specifically in assisting with technological needs of students. Please do not contact me for this type of assistance. The Help Desk is much better equipped than I am to assist you!

COURSE COMMUNICATION: How we will stay in contact with each other

Here are the ways we can keep the communication channels open:

- Office Hours: I will have office hours for your questions and comments about the course. My office hours are in-person, however, you can request a virtual meeting and I will send you a Teams link. Please see the days and times at the top of this syllabus.
- E-mail: UTEP e-mail is the best way to contact me. I will make every attempt to respond to your e-mail within 24 hours of receipt. When e-mailing me, be sure to e-mail from your UTEP student e-mail account and please put the course number in the subject line. In the body of your e-mail, clearly state your question. At the end of your e-mail, be sure to put your first and last name, and your university identification number.
- Announcements: Check the Blackboard announcements frequently for any updates, deadlines, or other important messages.

ATTENDANCE AND PARTICIPATION

Attendance in the course is determined by participation in the learning activities of the course. Your participation in the course is important not only for your learning and success but also to create a community of learners. Participation is determined by the completion of the following activities:

- Reading/Viewing all course materials to ensure understanding of assignment requirements
- Participating in engaging discussions with your peers
- Other activities as indicated in the weekly modules

Because these activities are designed to contribute to your learning each week, they cannot be made up after their due date has passed.

ILLNESS PRECAUTIONS

Please stay home if you have symptoms of a communicable illness. If you are feeling unwell, please let me know as soon as possible, so that we can work on appropriate accommodations.

COURSE DROP POLICY

I will not drop you from the course. However, if you feel that you are unable to complete the course successfully, please let me know and then contact the [Registrar's Office](#) to initiate the drop process. If you do not, you are at risk of receiving an "F" for the course.

MAKE-UP WORK

Make-up work will be given *only* in the case of a *documented* emergency. Note that make-up work may be in a different format than the original work, may require more intensive preparation, and may be graded with penalty points. If you miss an assignment and the reason is not considered excusable, you will receive a zero. It is therefore important to reach out to me—in advance if at all possible—and explain with proper documentation why you missed a given course requirement. Once a deadline has been established for make-up work, no further extensions or exceptions will be granted.

ALTERNATIVE MEANS OF SUBMITTING WORK IN CASE OF TECHNICAL ISSUES

I strongly suggest that you submit your work with plenty of time to spare in the event that you have a technical issue with the course website, network, and/or your computer. I also suggest you save all your work (answers to discussion points, quizzes, exams, and essays) in a separate Word document as a backup. This way, you will have evidence that you completed the work and will not lose credit. If you are experiencing difficulties submitting your work through Blackboard, please contact the UTEP Help Desk. You can e-mail me your backup document as a last resort.

INCOMPLETE GRADE POLICY

Incomplete grades may be requested only in exceptional circumstances after you have completed at least half of the course requirements. Talk to me immediately if you believe an incomplete is warranted. If granted, we will establish a contract of work to be completed with deadlines.

ACCOMMODATIONS POLICY

The University is committed to providing reasonable accommodations to students with documented disabilities. Students who become pregnant may also request reasonable accommodations, in accordance with state and federal laws and regulations and University policy. Accommodations that constitute undue hardship are not reasonable. To make a request, please register with the UTEP Center for Accommodations and Support Services (CASS). Contact CASS at 915-747-5148, e-mail them at cass@utep.edu, or apply for accommodations online via the CASS portal.

SCHOLASTIC INTEGRITY

Academic dishonesty is prohibited and is considered a violation of the UTEP Handbook of Operating Procedures. It includes, but is not limited to, cheating, plagiarism, and collusion. Cheating may involve copying from or providing information to another student, possessing unauthorized materials during a test, or falsifying research data on laboratory reports. Plagiarism occurs when someone intentionally or knowingly represents the words or ideas of another as ones' own. Collusion involves collaborating with another person to commit any academically dishonest act. Any act of academic dishonesty attempted by a UTEP student is unacceptable and will not be tolerated. All suspected violations of academic integrity at The University of Texas at El Paso must be reported to the [Office of Student Conduct and Conflict Resolution \(OSCCR\)](#) for possible disciplinary action. To learn more, please visit [HOOP: Student Conduct and Discipline](#).

GUIDANCE ON ARTIFICIAL INTELLIGENCE

AI allowed with proper acknowledgment.

Use of AI technologies or automated tools, particularly generative AI such as [ChatGPT](#) or [DALL-E](#), is *only allowed with proper attribution given for its use*.

Students must properly cite and give full credit to the program used upon submission of every relevant assignment. For example, text generated using ChatGPT must be cited:

Chat-GPT(version). Date of query (year/month/day). "Text of your query."

Generated using OpenAI. <https://chat.openai.com/>

A short paragraph describing how the tool(s) was/were used for the assignment must be included.

PLAGIARISM DETECTING SOFTWARE

Some of your course work and assessments may be submitted to SafeAssign, a plagiarism detecting software. SafeAssign is used to review assignment submissions for originality and will help you learn how to properly attribute sources rather than paraphrase.

COURSE RESOURCES: Where you can go for assistance

UTEP provides a variety of student services and support. Please refer to the QR code below for a listing of campus resources.



Tentative Course Outline:

The class will be organized as follows.

Modules	Week	Reading	Topic & Chapter Covered	Note
1	1	Ch. 4	Time Value of Money Fundamental	
	2	Ch. 4	Time Value of Money Fundamental	
	3	Ch. 5	Discounted Cash Flow Analysis	
	4	Ch. 5	Discounted Cash Flow Analysis	
	5		Module Review	Exam #1
2	6	Ch. 6	Essentials of Mortgages	
	7	Ch. 7	Fixed-Rate Mortgages: Characteristics and Calculations	
	8	Ch. 8	Fixed-Rate Mortgages: Advanced Topics	
	9		<i>Spring Break – No Class</i>	
	10		Module Review	Exam #2
3	11	Ch. 9	Loan Pricing and Closing Costs	
	12	Ch. 10	Adjustable-Rate Mortgages	
	13	Ch. 10	Adjustable-Rate Mortgages	
	14	Ch. 12	Loan Refinancing	
	15		Module Review	Exam #3
	16		Group Project Presentations	
	17		Final Exam: May 9 (Thur) 4:00 – 6:45 pm Covering Materials in All Modules	