



UNSW Course Outline

FINS3633 Real Estate Finance - 2024

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General Course Information

Course Code : FINS3633

Year : 2024

Term : Term 3

Teaching Period : T3

Is a multi-term course? : No

Faculty : UNSW Business School

Academic Unit : School of Banking and Finance

Delivery Mode : In Person

Delivery Format : Standard

Delivery Location : Kensington

Campus : Sydney

Study Level : Undergraduate

Units of Credit : 6

Useful Links

[Handbook Class Timetable](#)

Course Details & Outcomes

Course Description

This course exposes students to concepts, theories and industry practice in real estate finance which is one of the largest and most important components of the financial system. It also introduces valuation and appraisal methods used for real estate finance and investment decision

making. The primary goal of this course is to help students acquire the knowledge and develop the analytical skills of real estate finance, including the institutions and instruments used to finance residential and commercial real estate. It is of particular use to students who are interested in working in the real estate development, brokerage, mortgage banking and investment banking industries. The main topics covered in the course are mortgage products, mortgage banking, secondary mortgage market and mortgage-backed securities (MBS), financial leverage and commercial real estate finance.

Course Aims

This course deals with one of the areas of finance, namely real estate. The asset class plays an important role as a major investment vehicle in Australia and all over the world. It is a critical issue in the current economic climate. This course will build upon the more general courses already covered by students and attempt to place real estate investments on the same theoretical footing as fixed-income and equity investments.

Relationship to Other Courses

This course deals with one of the areas of finance, namely real estate. The asset class plays an important role as a major investment vehicle in Australia and worldwide. It is a critical issue in the current economic climate. This course will build upon the more general courses already covered by students and attempt to place real estate investments on the same theoretical footing as fixed-income and equity investments.

Course Learning Outcomes

Course Learning Outcomes	Program learning outcomes
CLO1 : Explain the different types of mortgages available in the marketplace and explain their characteristics.	<ul style="list-style-type: none"> PLO1 : Business Knowledge PLO2 : Problem Solving
CLO2 : Understand and apply generally recognised investment valuation techniques to real estate.	<ul style="list-style-type: none"> PLO1 : Business Knowledge PLO2 : Problem Solving
CLO3 : Conduct real estate investment analysis and make investment recommendations.	<ul style="list-style-type: none"> PLO1 : Business Knowledge PLO2 : Problem Solving
CLO4 : Construct written work which is logically and professionally presented.	<ul style="list-style-type: none"> PLO1 : Business Knowledge PLO3 : Business Communication PLO4 : Teamwork PLO5 : Responsible Business Practice
CLO5 : Communicate ideas in a succinct and clear manner.	<ul style="list-style-type: none"> PLO1 : Business Knowledge PLO3 : Business Communication PLO4 : Teamwork PLO5 : Responsible Business Practice
CLO6 : Identify and assess environmental and sustainability considerations in problems in Real Estate.	<ul style="list-style-type: none"> PLO1 : Business Knowledge PLO6 : Global and Cultural Competence PLO7 : Leadership Development

Course Learning Outcomes	Assessment Item
CLO1 : Explain the different types of mortgages available in the marketplace and explain their characteristics.	<ul style="list-style-type: none"> Assignment Quiz Class Contribution Quiz
CLO2 : Understand and apply generally recognised investment valuation techniques to real estate.	<ul style="list-style-type: none"> Assignment Quiz Class Contribution Quiz
CLO3 : Conduct real estate investment analysis and make investment recommendations.	<ul style="list-style-type: none"> Assignment Quiz Class Contribution Quiz
CLO4 : Construct written work which is logically and professionally presented.	<ul style="list-style-type: none"> Assignment
CLO5 : Communicate ideas in a succinct and clear manner.	<ul style="list-style-type: none"> Assignment
CLO6 : Identify and assess environmental and sustainability considerations in problems in Real Estate.	<ul style="list-style-type: none"> Quiz Quiz Assignment

Learning and Teaching Technologies

Moodle - Learning Management System

Assessments

Assessment Structure

Assessment Item	Weight	Relevant Dates	Program learning outcomes
Assignment Assessment Format: Individual	40%	Start Date: Not Applicable Due Date: Week 8: 28 October - 03 November	<ul style="list-style-type: none">• PLO1 : Business Knowledge• PLO3 : Business Communication• PLO5 : Responsible Business Practice• PLO6 : Global and Cultural Competence• PLO7 : Leadership Development• PLO2 : Academic Excellence
Quiz Assessment Format: Individual	20%	Start Date: Not Applicable Due Date: Not Applicable	<ul style="list-style-type: none">• PLO1 : Business Knowledge• PLO2 : Problem Solving
Class Contribution Assessment Format: Individual	10%	Start Date: Not Applicable Due Date: Not Applicable	<ul style="list-style-type: none">• PLO1 : Business Knowledge• PLO2 : Problem Solving
Quiz Assessment Format: Individual	30%	Start Date: Not Applicable Due Date: Not Applicable	<ul style="list-style-type: none">• PLO1 : Business Knowledge• PLO2 : Problem Solving

Assessment Details

Assignment

Assessment Overview

The individual assignment is a comprehensive assessment that integrates all the core valuation and financial knowledge and skills of the course.

PLO 1, PLO 2, PLO 3, PLO 4, PLO 5, PLO 6, PLO 7

Course Learning Outcomes

- CLO1 : Explain the different types of mortgages available in the marketplace and explain their characteristics.
- CLO2 : Understand and apply generally recognised investment valuation techniques to real estate.
- CLO3 : Conduct real estate investment analysis and make investment recommendations.

- CLO4 : Construct written work which is logically and professionally presented.
- CLO5 : Communicate ideas in a succinct and clear manner.
- CLO6 : Identify and assess environmental and sustainability considerations in problems in Real Estate.

Detailed Assessment Description

The individual class project will help expose students to real estate valuation, require students to justify how and why they adjust the cash flow forecasts, and explain their methodology for arriving at a specific value for a piece (or a portfolio) of property.

Submission notes

Please see detailed description in class.

Assignment submission Turnitin type

This assignment is submitted through Turnitin and students do not see Turnitin similarity reports.

Generative AI Permission Level

Simple Editing Assistance

In completing this assessment, you are permitted to use standard editing and referencing functions in the software you use to complete your assessment. These functions are described below. You must not use any functions that generate or paraphrase passages of text or other media, whether based on your own work or not.

If your Convenor has concerns that your submission contains passages of AI-generated text or media, you may be asked to account for your work. If you are unable to satisfactorily demonstrate your understanding of your submission you may be referred to UNSW Conduct & Integrity Office for investigation for academic misconduct and possible penalties.

For more information on Generative AI and permitted use please see [here](#).

Quiz

Assessment Overview

The quiz assesses students' understanding of the valuation knowledge and skills and use of financial mathematics.

PLO 1, PLO 2

Course Learning Outcomes

- CLO1 : Explain the different types of mortgages available in the marketplace and explain their

characteristics.

- CLO2 : Understand and apply generally recognised investment valuation techniques to real estate.
- CLO3 : Conduct real estate investment analysis and make investment recommendations.
- CLO6 : Identify and assess environmental and sustainability considerations in problems in Real Estate.

Detailed Assessment Description

The quizzes will be held in person during regularly scheduled class times.

Assessment information

Please see detailed description in class.

Assignment submission Turnitin type

Not Applicable

Generative AI Permission Level

No Assistance

This assessment is designed for you to complete without the use of any generative AI. You are not permitted to use any generative AI tools, software or service to search for or generate information or answers.

For more information on Generative AI and permitted use please see [here](#).

Class Contribution

Assessment Overview

The class participation assesses the engagement of the student during class and on Moodle.

PLO 1, PLO 2

Course Learning Outcomes

- CLO1 : Explain the different types of mortgages available in the marketplace and explain their characteristics.
- CLO2 : Understand and apply generally recognised investment valuation techniques to real estate.
- CLO3 : Conduct real estate investment analysis and make investment recommendations.

Detailed Assessment Description

The class participation assesses the engagement of the student during class and on Moodle.

Assessment information

Please see the detailed description in class.

Assignment submission Turnitin type

This is not a Turnitin assignment

Generative AI Permission Level

No Assistance

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Quiz

Assessment Overview

The quiz assesses students' understanding of the valuation knowledge and skills and use of financial mathematics.

PLO 1, PLO 2

Course Learning Outcomes

- CLO1 : Explain the different types of mortgages available in the marketplace and explain their characteristics.
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Detailed Assessment Description

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Assessment information

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General Assessment Information

Grading Basis

Standard

Requirements to pass course

Achieve a composite mark of at least 50 out of 100.

Course Schedule

Teaching Week/Module	Activity Type	Content
Week 1 : 9 September - 15 September	Lecture	Overview of Real Estate Markets
Week 2 : 16 September - 22 September	Lecture	Fixed Rate Mortgages
Week 3 : 23 September - 29 September	Lecture	Adjustable Rate Mortgages and Other Mortgage Products
Week 4 : 30 September - 6 October	Lecture	Commercial Real Estate Valuation
Week 5 : 7 October - 13 October	Assessment	In class quiz 1
Week 6 : 14 October - 20 October	Other	Flexibility week - no class held
Week 7 : 21 October - 27 October	Lecture	Lessons from Australian Auctions
	Workshop	Quiz review feedback
Week 8 : 28 October - 3 November	Lecture	Lessons from Australian Auctions
Week 9 : 4 November - 10 November	Lecture	Secondary Mortgage Market Real Estate Investment Trusts
Week 10 : 11 November - 17 November	Workshop	Guest lecturers.
	Assessment	In Class Quiz 2

Attendance Requirements

Students are strongly encouraged to attend all classes and review lecture recordings.

General Schedule Information

This course is a lecture-based course with assessments and workshops scheduled throughout the term.

Course Resources

Prescribed Resources

Brueggeman, William B. and Jeffrey D. Fisher, 2022, Real Estate Finance and Investments FINS3633 Real Estate Finance - 2023 (17th ed.), McGraw-Hill Print ISBN: 9781264892884,

Recommended Resources

Geltner and Millers, Commercial Real Estate Analysis and Investments, OnCourse learning, ISBN: 978-1133108825. Additional reading materials will be posted on the course website and handed out in class occasionally. Students may also want to refer to the following: NY Times ASX Property Council of Australia Real estate websites (www.domain.com.au) Reserve Bank of Australia Speeches RBA Bulletin Financial Stability Review AFR (available from the library) Secondary mortgage market articles "The Role of Securitization in Mortgage Lending," by Richard J. Rosen, Chicago Fed Letter, No. 24, November 2007. "The Economics of Asset Securitization," by Ronel Elul, Business Review, Federal Reserve Bank of Philadelphia, Quarter 3, 2005.

Course Evaluation and Development

Feedback is regularly sought from students, and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the myExperience survey, which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us in meeting the needs of our students and providing an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action towards enhancing educational quality.

Staff Details

Position	Name	Email	Location	Phone	Availability	Equitable Learning Services Contact	Primary Contact
Convenor	Kristle Romero Cortes					No	Yes

Other Useful Information

Academic Information

COURSE POLICIES AND SUPPORT

The Business School expects that you are familiar with the contents of this course outline and the UNSW and Business School learning expectations, rules, policies and support services as listed below:

- Program Learning Outcomes

- Academic Integrity and Plagiarism
- Student Responsibilities and Conduct
- Special Consideration
- Protocol for Viewing Final Exam Scripts
- Student Learning Support Services

Further information is provided on the [Policies and Guidelines](#) page.

Students may not circulate or post online any course materials such as handouts, exams, syllabi or similar resources from their courses without the written permission of their instructor.

STUDENT LEARNING OUTCOMES

The Course Learning Outcomes (CLOs) – under the Outcomes tab – are what you should be able to demonstrate by the end of this course, if you participate fully in learning activities and successfully complete the assessment items.

CLOs also contribute to your achievement of the Program Learning Outcomes (PLOs), which are developed across the duration of a program. PLOs are, in turn, directly linked to [UNSW graduate capabilities](#). More information on Coursework PLOs is available on the [Policies and Guidelines](#) page. For PG Research PLOs, including MPDBS, please refer to [UNSW HDR learning outcomes](#).

Academic Honesty and Plagiarism

As a student at UNSW you are expected to display [academic integrity](#) in your work and interactions. Where a student breaches the [UNSW Code of Conduct](#) with respect to academic integrity, the University may take disciplinary action. To assure academic integrity, you may be required to demonstrate reasoning, research and the process of constructing work submitted for assessment.

To assist you in understanding what academic integrity means, and how to ensure that you do comply with the UNSW Code of Conduct, it is strongly recommended that you complete the [Working with Academic Integrity](#) module before submitting your first assessment task. It is a free, online self-paced Moodle module that should take about one hour to complete.

Submission of Assessment Tasks

SHORT EXTENSIONS

Short Extension is a new process that allows you to apply for an extended deadline on your assessment without the need to provide supporting documentation, offering immediate approval during brief, life-disrupting events. Requests are automatically approved once submitted.

Short extensions are ONLY available for some assessments. Check your course outline or Moodle to see if this is offered for your assessments. Where a short extension exists, all students enrolled in that course in that term are eligible to apply. Further details are available the UNSW [Current Students](#) page.

SPECIAL CONSIDERATION

You can apply for special consideration when illness or other circumstances beyond your control interfere with your performance in a specific assessment task or tasks, including online exams. Special consideration is primarily intended to provide you with an extra opportunity to demonstrate the level of performance of which you are capable.

Applications can only be made online and will NOT be accepted by teaching staff. Applications will be assessed centrally by the Case Review Team, who will update the online application with the outcome and add any relevant comments. The change to the status of the application immediately sends an email to the student and to the assessor with the outcome of the application. The majority of applications will be processed within 3-5 working days.

For further information, and to apply, see Special Consideration on the UNSW [Current Students](#) page.

LATE SUBMISSION PENALTIES

LATE SUBMISSION PENALTIES

For assessments other than examinations, late submission will incur a penalty of 5% per day or part thereof (including weekends) from the due date and time. An assessment will not be accepted after 5 days (120 hours) of the original deadline unless special consideration has been approved. In the case of an approved Equitable Learning Plan (ELP) provision, special consideration or short extension, the late penalty applies from the date of approved time extension. After five days from the extended deadline, the assessment cannot be submitted.

An assessment is considered late if the requested format, such as hard copy or electronic copy, has not been submitted on time or where the 'wrong' assessment has been submitted.

For assessments which account for 10% or less of the overall course grade, and where answers are immediately discussed or debriefed, the LIC may stipulate a different penalty. Details of such late penalties will be available on the course Moodle page.

FEEDBACK ON YOUR ASSESSMENT TASK PERFORMANCE

Feedback on student performance from formative and summative assessment tasks will be provided to students in a timely manner. Assessment tasks completed within the teaching period of a course, other than a final assessment, will be assessed and students provided with feedback, with or without a provisional result, within 10 working days of submission, under normal circumstances. Feedback on continuous assessment tasks (e.g. laboratory and studio-based, workplace-based, weekly quizzes) will be provided prior to the midpoint of the course.

Faculty-specific Information

PROTOCOL FOR VIEWING FINAL EXAM SCRIPTS

UNSW students have the right to view their final exam scripts, subject to a small number of very specific exemptions. The UNSW Business School has set a [protocol](#) under which students may view their final exam script. Individual schools within the Faculty may also set up additional local processes for viewing final exam scripts, so it is important that you check with your School.

If you are completing courses from the following schools, please note the additional school-specific information:

- Students in the **School of Accounting, Auditing & Taxation** who wish to view their final examination script should also refer to [this page](#).
- Students in the **School of Banking & Finance** should also refer to [this page](#).
- Students in the **School of Information Systems & Technology Management** should also refer to [this page](#).

COURSE EVALUATION AND DEVELOPMENT

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the [myExperience survey](#), which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action towards enhancing educational quality.

QUALITY ASSURANCE

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential.

TEACHING TIMES AND LOCATIONS

Please note that teaching times and locations are subject to change. Students are strongly advised to refer to the [Class Timetable website](#) for the most up-to-date teaching times and locations.