

University of Missouri–St. Louis

College of Business Administration

Finance 3542 – Principles of Real Estate / Finance 6542 – Real Estate
Spring 2024 – Anheuser-Busch Hall 00004 – Tues/Thurs 9:30–10:45AM

Course Instructor: Tim Dombrowski
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Weekly Office Hours: Tues/Thurs 10:45AM – 12:00PM

Course Description: FIN 3542: As an introduction to the real estate industry, the course broadly explores all phases of acquisition, development and disposal of real property. Topics include legal requirements of contracts, property rights, valuation and appraisal techniques, marketing, brokerage operations and practices, mortgage financing, leasing and property management.

FIN 6542: This course provides a broad introduction to real estate with a focus on legal issues, market analysis, valuation, financing, leasing and investment decisions. Classes are conducted in a in a standard lecture format with discussion on current topics. No prior knowledge of the industry is required.

Prerequisites: For 3542: Finance 3500 and 2.0 min GPA

For 6572: Finance 6500

Required Materials: Ling and Archer, “Real Estate Principles: A Value Approach,” 7th ed., 2024, McGraw-Hill Connect.

Course Objectives: This class is an introduction to real estate finance, and more broadly, real estate. The course objectives are to develop an understanding of the financial, legal, and practical aspects of real estate markets. Upon successful completion of the course, students will have developed an ability to create interactive financial models for real estate investments, evaluate different types of residential mortgages, describe the process of listing and conveying real estate interests, distinguish between purchasing and leasing real estate, and understand the general process of real estate development. The course will focus on building these skills with a heavy emphasis on data analysis and applied research.

UMSL AutoAccess:

This course is part of our AutoAccess program designed to reduce the cost of course materials for students. You will be able to access the digital content for this course through Canvas on the first day of class.

Your student account will be charged for the cost of the digital course material (\$122.00). If you choose to opt out of the content please do so by January 30, 2024, to receive a refund.

You will be sent an AutoAccess Welcome Email that will provide charge amounts, the opt-out process and any additional information needed for your AutoAccess course(s) beginning January 3, 2024.

Your AutoAccess course may have a Print Upgrade available as an additional purchase. This is a low-cost version of the printed text made available by the publisher at a reduced cost. It is the publisher's requirement that in order to purchase the additional print, you must be opted in for the AutoAccess digital required material. If you have questions about Print Upgrades and opting out, please contact us at autoaccess.umsltritonstore.com.

If you have any questions please contact the Triton Store 314-516-5763, email autoaccess@umsl.edu or visit autoaccess.umsltritonstore.com.

Class Meetings:

Each week, we will have two class meetings on campus in our classroom. The goal for these meetings is to discuss any questions related to the assigned chapter and review the relevant assignments. You are expected to read the chapters prior to their in-class discussions and participate in those discussions.

Attendance:

Attendance will not factor directly into your final grade. However, it is strongly encouraged and consistent attendance is expected of students. If you are unable to attend class in-person, advanced notice should be given and accommodations to attend remotely may be arranged.

Grading:

The grading for this class will be divided into three categories: homeworks, case study assignments, and exams. In sum, these will account for 500 total points throughout the semester, broken down as follows:

- 5 Homeworks \times 10 points each = 50 points
- 3 Case Study Assignments \times 50 points each = 150 points
- 3 Exams \times 100 points each = 300 points

Grading Scale:

Final %	Grade (Points)	Final %	Grade (Points)
≥ 93	A (4.0)	73 – 76	C (2.0)
90 – 92	A– (3.7)	70 – 72	C– (1.7)
87 – 89	B+ (3.3)	67 – 69	D+ (1.3)
83 – 86	B (3.0)	63 – 66	D (1.0)
80 – 82	B– (2.7)	60 – 62	D– (0.7)
77 – 79	C+ (2.3)	< 60	F (0.0)

Note: Intermediate grades are not rounded; however, final grades will be rounded to the nearest percentage point before assigning a letter grade.

Exams:

There will be three exams throughout the semester. Each exam will consist of 40 equal-weighted multiple choice questions. Students will have two hours (120 minutes) to complete each exam. Each exam is worth 100 points and will be administered using SmarterProctoring, which allows for in-person proctoring at the testing center on campus or remote proctoring. See next page for remote proctoring details.

Exam Schedule:

Each of the three exams will be available for a 48-hour testing window. **If you are sick, have a death in the family, or some other emergency you need to inform me during the testing window and provide me with proof (doctor's note, obituary, etc.) within a week. If you do not inform me by then, you will get a zero on the exam!**

- Exam 1: February 5–6 (Monday and Tuesday)
 - Chapters 1, 2, 3, and 4
- Exam 2: March 4–5 (Monday and Tuesday)
 - Chapters 14, 7, 8, 18, and 19
- Exam 3: April 29–30 (Monday and Tuesday)
 - Chapters 10, 11, 12, 13, 22, and 23

Final Exam: During Finals Week, there will be an optional Final Exam that can be taken, which will replace the lowest exam grade from Exams 1–3. This Final Exam must be taken in-person during the scheduled time slot for the class (Thursday, May 9, 7:45–9:45AM). It will consist of 40 multiple choice questions that span the entirety of the course content.

Proctoring: The three exams in this course may be taken with the use of the SmarterProctoring platform. SmarterProctoring is an online, remote proctoring system that uses advanced machine learning and identity-verification technology to ensure test integrity. This platform allows you to take proctored tests at home using a computer extension; or alternatively take your exam in a traditional way by scheduling an exam in a testing center or with an approved proctor in your area. If you prefer to take your exam in a traditional proctored setting rather than at home on your own computer, [follow these instructions to schedule your test in the Testing Center at UMSL using the SmarterProctoring tool in your Canvas course.](#)

For more details on the technical requirements for remote proctoring and other frequently asked questions, see the [Getting Started](#) page, [System Requirements](#), and [SmarterProctoring 2.0 Update Summary](#).

Feedback: Exams, practice quizzes, and problem sets are all automatically graded in McGraw-Hill Connect. There is also automated feedback, which is immediate for practice quizzes and problem sets. However, detailed exam feedback will be restricted until after the deadline. Beyond this automated feedback, the extra credit opportunities during office hours provide another way to share your work and receive feedback. If you are unable to attend office hours, I encourage you to reach out via email and receive direct feedback as well.

Chapters:

1. The Nature of Real Estate and Real Estate Markets
2. Legal Foundations to Value
3. Conveying Real Property Interests
4. Government Controls and Real Estate Markets
14. The Effects of Time and Risk on Value
7. Valuation Using the Sales Comparison and Cost Approaches
8. Valuation Using the Income Approach
18. Investment Decisions: Ratios
19. Investment Decisions: NPV and IRR
10. Residential Mortgage Types and Borrower Decisions
11. Sources of Funds for Residential Mortgages
12. Real Estate Brokerage and Listing Contracts
13. Contracts for Sale and Closing
22. Leases and Property Types
23. Development: The Dynamics of Creating Value

AI Policy:

The use of generative AI tools in this class is encouraged. However, this comes with an emphasis on responsible and transparent use of these tools. This means that any work you submit should be materially created by you. Any time that you make use of a generative AI tool (or any resource/tool for that matter), you should provide documentation on how it was used. Thus, in cases where an AI tool is used for brainstorming an idea or checking grammar and/or the style of your original writing, you should include documentation of the specific prompts that were used, along with the response and how it factored into the final work that was submitted.

Resources/Support:

Additional resources that students should review include:

- [Academic Advising](#)
- [Academic Integrity/Plagiarism](#)
- [Academic Support](#)
- [Mandatory Reporting](#)
- [Online Netiquette/Behavior](#)
- [Student Resources](#)
- [Technical Support](#)
- [UMSL Academic Calendar](#)
- [UMSL AutoAccess FAQ](#)

Tentative Course Schedule

	Tuesday Class	Thursday Class
Week 1 (1/15–21) *MLK Day Holiday: 1/15 *Homework 1 Due: 1/21	<ul style="list-style-type: none"> • Review Syllabus 	<ul style="list-style-type: none"> • Chapter 1 / Homework 1
Week 2 (1/22–28) *Case Study 1 Due: 1/28	<ul style="list-style-type: none"> • Chapter 2 	<ul style="list-style-type: none"> • Chapter 2 / Case Study 1
Week 3 (1/29–2/4)	<ul style="list-style-type: none"> • Chapter 3 	<ul style="list-style-type: none"> • Chapter 4
Week 4 (2/5–11) *Exam 1: 2/5–6	<ul style="list-style-type: none"> • Exam 1 Review 	<ul style="list-style-type: none"> • Chapter 14
Week 5 (2/12–18) *Homework 2 Due: 2/18	<ul style="list-style-type: none"> • Chapter 7 	<ul style="list-style-type: none"> • Chapter 7 / Homework 2
Week 6 (2/19–25) *Homework 3 Due: 2/25	<ul style="list-style-type: none"> • Chapter 8 	<ul style="list-style-type: none"> • Chapter 8 / Homework 3
Week 7 (2/26–3/3)	<ul style="list-style-type: none"> • Chapter 18 	<ul style="list-style-type: none"> • Chapter 19
Week 8 (3/4–10) *Exam 2: 3/4–5	<ul style="list-style-type: none"> • Exam 2 Review 	<ul style="list-style-type: none"> • Chapter 10
Week 9 (3/11–17) *Homework 4: 3/17	<ul style="list-style-type: none"> • Chapter 11 	<ul style="list-style-type: none"> • Homework 4
Week 10 (3/18–24) *Case Study 2 Due: 3/24	<ul style="list-style-type: none"> • TBD – Instructor Travel 	<ul style="list-style-type: none"> • TBD – Instructor Travel
Week 11 (3/25–31)	Spring Break!	
Week 12 (4/1–7)	<ul style="list-style-type: none"> • Chapter 12 	<ul style="list-style-type: none"> • Chapter 13
Week 13 (4/8–14) *Homework 5 Due: 4/14	<ul style="list-style-type: none"> • Chapter 22 	<ul style="list-style-type: none"> • Chapter 22 / Homework 5
Week 14 (4/15–21) *Case Study 3 Due: 4/21	<ul style="list-style-type: none"> • Chapter 23 	<ul style="list-style-type: none"> • Chapter 23 / Case Study 3
Week 15 (4/22–28)	<ul style="list-style-type: none"> • Exam 3 Review 	<ul style="list-style-type: none"> • Exam 3 Review

Week 16 (4/29–5/5) *Exam 3: 4/29–30 *Classes End 5/4 @5:00PM	<ul style="list-style-type: none">• Exam 3 Review	<ul style="list-style-type: none">• Final Exam Review
Week 17 (5/7–12) *Semester Ends 5/11 EOD	Cumulative Final Exam: Thursday, May 9, 7:45–9:45AM	