

College of San Mateo
Official Course Outline

1. COURSE ID: R.E. 105 **TITLE:** Real Estate Investment

Units: 3.0 units **Hours/Semester:** 48.0-54.0 Lecture hours; and 96.0-108.0 Homework hours

Method of Grading: Letter Grade Only

2. COURSE DESIGNATION:

Degree Credit

Transfer credit: CSU

3. COURSE DESCRIPTIONS:

Catalog Description:

Real Estate as part of a larger, well-diversified investment strategy. Real Estate markets, financing investment purchases, value of money, estimating costs and revenues of real estate investments with some key legal, depreciation and tax considerations. (This course has been accepted by the California State Bureau of Real Estate for credit towards sales agent and broker license examinations.)

4. STUDENT LEARNING OUTCOME(S) (SLO'S):

Upon successful completion of this course, a student will meet the following outcomes:

1. Explain current topics and long-term trends relating to real estate markets, with an emphasis on California and the Bay Area.
2. Explain key realty or real estate-related investment vehicles.

5. SPECIFIC INSTRUCTIONAL OBJECTIVES:

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

1. Real Estate investments: Examine key types of realty or real estate-related investment vehicles with consideration of important characteristics such as apparent risk, continuing financial requirements, continuing time and effort requirements, probable necessary holding periods, and liquidity.
2. Real Estate markets: Examine current topics and long-term trends relating to real estate markets, with an emphasis on California including the Bay Area. Local and micro-markets. Major factors that influence and change realty markets and valuations over time.
3. Negotiations in Real Estate transactions: Examine negotiating process in the real estate sales transaction including current California law and practice. Some key elements of concern to the buyer and seller in the normal residential property purchase-sale transaction.
4. Legal considerations: Examine legal considerations relating to investment or real estate brokers, advisers, and owning and managing residential investment properties.

6. COURSE CONTENT:

Lecture Content:

This course will cover a good spectrum of Real Estate Investments topics from legal and/or practical perspectives, without providing any kind of advice or recommendations. Topics are selected from subjects like:

- a. Some key daily money management ideas as a foundational basis for your financial success
- b. Saving for investing, without severe malnutrition or becoming homeless
- c. Why are we saving and investing? What are our real goals, needs?
1. Now versus later, the value of deferring some gratifications
- e. The banking system and key laws and regulations impacting savers and borrowers
- f. Now versus later, the time value of money and compounding of growth.
- g. Saving and investing for large financial events (such as RE down payments, college tuition, etc.)
- h. Saving and investing for retirement as a special part of a financial plan
- i. Managing or limiting risks, using diversification where applicable.
- j. The critically- important roles of personal, medical, disability, long-term care, etc. insurances to your investment plan and in managing risk
- k. Investing in publicly-traded Real Estate Investment Trusts (REITs)
- m. Investing in single family residential real estate as part of a balanced investments portfolio
- n. Investing in multi-family residential real estate (apartments)
- o. Property management – key legal, regulatory, and practical considerations; professional or do-it-yourself?

- p. Finding, screening, and qualifying prospective tenants
- q. Evictions when necessary, how to get them done legally (and how to try to avoid having to do them in the first place)
- r. Property inspections to help manage, limit risk
- s. Property Insurance considerations and typical insurance requirements for residential rental properties
- t. Some important legal considerations of owning and operating real estate investment properties.
- u. Some ethical considerations
- v. Key differences in financing real estate investments (as compared with financing your personal residence)
- w. Introduction to tax law ideas relating to investment properties (as differ from the tax laws applicable to your personal residence)
- x. Finding some reliable sources of information (legal, economics, financial, etc.)
- y. Specialized mortgage products, reverse “mortgages” (for your residence) per current law and practice, as a possible source of investing capital, etc.

7. REPRESENTATIVE METHODS OF INSTRUCTION:

Typical methods of instruction may include:

- A. Lecture
- B. Discussion
- C. Guest Speakers

8. REPRESENTATIVE ASSIGNMENTS

Representative assignments in this course may include, but are not limited to the following:

Writing Assignments:

Homework, which may include quizzes, to help students identify any study needs and to reinforce their learning.

Reading Assignments:

Reading assignments from textbook and other supplemental materials to help students prepare for and/or reinforce course topics.

9. REPRESENTATIVE METHODS OF EVALUATION

Representative methods of evaluation may include:

- A. Class Participation
- B. Exams/Tests
- C. Quizzes
- D. Written examination

10. REPRESENTATIVE TEXT(S):

Possible textbooks include:

- A. Sirota, David. *Essentials of Real Estate Investment*, 11th ed. Dearborn Real Estate Education, 2016

Origination Date: September 2018

Curriculum Committee Approval Date: October 2018

Effective Term: Fall 2019

Course Originator: Peter von Bleichert