College of San Mateo  
Official Course Outline  

1. **COURSE ID:** R.E. 131  
   **TITLE:** Real Estate Finance I  
   **Units:** 3.0 units  
   **Hours/Semester:** 48.0-54.0 Lecture hours  
   **Method of Grading:** Letter Grade Only  

2. **COURSE DESIGNATION:**  
   Degree Credit  
   Transfer credit: CSU  

3. **COURSE DESCRIPTIONS:**  
   **Catalog Description:**  
   Practices, customs, law, and regulation relating to mortgage lending and the financing of real estate, with emphasis on financing private residences in California. Real Estate Finance in its context including some legal, financial, industry, regulatory, and historical considerations. (This course has been accepted by the California State Board of Real Estate for credit towards the sales agent and broker licenses. This course can also credit toward AA degrees and transfers to CSU.)  

4. **STUDENT LEARNING OUTCOME(S) (SLO'S):**  
   Upon successful completion of this course, a student will meet the following outcomes:  
   1. Learn some key legal and practical concepts about MONEY, BANKING, LENDING, and CREDIT including their historical development to the present day.  
   2. Learn about the CHIEF LEGAL SYSTEMS OF REAL ESTATE FINANCING IN CALIFORNIA today.  
   3. Learn about the Major Financial Vehicles (Types of Loans) for California RESIDENTIAL FINANCING (Major emphasis on the chief types of purchase money financing including Fixed rate loans and some important aspects of adjustable rate loan products. Some secondary loan products including standard junior lien loans and home equity lines of credit. Home equity conversion “mortgages.”)  
   4. Learn the major legal and financial considerations involved in real estate financing from the lender's and borrower's perspectives. Qualifying the borrower, property, and title. The important legal aspects of default events and the most common California “foreclosure” procedures.  
   5. Learn the key legal and financial elements of the major GOVERNMENTALLY-ASSISTED HOME FINANCING PROGRAMS.  
   6. Examine some CAREERS IN REAL ESTATE FINANCING.  
   7. Identify some key issues and trends relating to the law, practice, and political economics of real estate financing, looking towards the future.  

5. **SPECIFIC INSTRUCTIONAL OBJECTIVES:**  
   Upon successful completion of this course, a student will be able to:  
   1. Learn some key legal and practical concepts about MONEY, BANKING, LENDING, and CREDIT including their historical development to the present day.  
   2. Learn about the CHIEF LEGAL SYSTEMS OF REAL ESTATE FINANCING IN CALIFORNIA today.  
   3. Learn about the Major Financial Vehicles (Types of Loans) for California RESIDENTIAL FINANCING (Major emphasis on the chief types of purchase money financing including Fixed rate loans and some important aspects of adjustable rate loan products. Some secondary loan products including standard junior lien loans and home equity lines of credit. Home equity conversion “mortgages.”)  
   4. Learn the major legal and financial considerations involved in real estate financing from the lender's and borrower's perspectives. Qualifying the borrower, property, and title. The important legal aspects of default events and the most common California “foreclosure” procedures.  
   5. Learn the key legal and financial elements of the major GOVERNMENTALLY-ASSISTED HOME FINANCING PROGRAMS.  
   6. Examine some CAREERS IN REAL ESTATE FINANCING.  
   7. Identify some key issues and trends relating to the law, practice, and political economics of real estate financing, looking towards the future.  

6. **COURSE CONTENT:**  
   **Lecture Content:**  
   This course discusses a spectrum of Real Estate Finance-related topics selected from subjects like these:  
   1. What is money?
2. What is credit?
3. History of money
4. History of banking and lending
5. The secondary money market and how money and credit get into the retail real estate lending marketplace
6. Federal government involvements (monetary policy and the Federal Reserve System, fiscal policy and Congress, various governmental guarantees, some direct subsidies, etc.)
7. Costs of funds
8. Legal types of real estate financing systems in California (mortgages, trust deeds, land contracts of sale)
9. The financing process
10. Institutional lenders (and what do banks do?)
11. Non-institutional lenders
12. California Real Property Loan Law
13. ARMs: adjustable rate “mortgages” and other esoteric creatures
14. Conventional loans
15. Government-backed financing (such as FHA, VA, CalVet, CHFA)
16. Qualifying the property: appraisal and underwriting
17. Qualifying the borrower: income & long term debt, assets
18. Qualifying the borrower: credit-worthiness
19. Credit bureaus, credit scoring, and how to improve a credit score
20. Qualifying the title
21. Processing, closing, and servicing real estate loans
22. Defaults and foreclosures
23. Trends and issues in financing: the future of real estate financing in a rapidly-changing legal and regulatory climate
24. Career paths in real estate financing

As time permits we may include additional germane topics, such as:
25. Construction loans
26. Creative financing techniques and troubles
27. Introduction to financing investment properties
28. Home Equity Conversion "Mortgages" ("live off your house")

7. REPRESENTATIVE METHODS OF INSTRUCTION:
   Typical methods of instruction may include:
   A. Lecture
   B. Discussion
   C. Guest Speakers
   D. Other (Specify): Reading assignments to help students prepare for and/or reinforce course topics. Homework, which may include quizzes to help students identify any study needs and to reinforce their learning. Videos.

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 text 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. Quizzes
   C. Written examination

10. REPRESENTATIVE TEXT(S):
    Possible textbooks include:

- **Origination Date:** December 2015
- **Curriculum Committee Approval Date:** April 2016
- **Effective Term:** Fall 2016
- **Course Originator:** Anne Figone