






## Level 5 Diploma in Business Economics (870) 139 Credits



<b>Unit:</b> Real Estate Management	<b>Guided Learning Hours:</b> 200
<b>Exam Paper No.:</b> 5	<b>Number of Credits:</b> 20
<b>Prerequisites:</b> Knowledge of accounting and business terminology.	<b>Corequisites:</b> A pass or higher in Certificate in Business Studies or equivalence.
<p><b>Aim:</b> An overview unit that explains real-world examples on how residential and commercial real estate finance markets operate and interact with one another. The unit provides an understanding of how technology is rapidly changing borrowers' ability to "shop" for mortgages and how lenders offer their products and services. The unit covers the entire array of mortgages available to consumers, where loans can be obtained, and what happens to loans after they are made. The ethical dimensions of financing real estate will be brought to the forefront of classroom discussion. Introduction to real estate topics including license law, real property, agency, seller and buyer relationships, state and federal laws, marketing and advertising, market analysis and appraisal, financing, contracts, employment agreements, and career paths. Basic principles of real estate transfers with emphasis on contracts of sale, deeds, abstracts, leases, options, liens, taxes, financing, and market conditions are looked at; including; legal concepts of real estate, land description, real property rights, estates in land, conveyances, encumbrances, foreclosures, recording procedures, evidence of title, consumer protection, and landlord-tenant law. The unit explores the complexities of managing apartments, condominiums, office buildings, industrial property, and shopping-centres. This unit covers rental markets, development of rental schedules, leasing techniques and negotiations, repairs and maintenance, tenant relations, merchandising, selection and training of personnel, accounting, and owner relations. This unit bring together finance, economics and international trade to highlight the role of real estate in the global economy.</p>	
<b>Required Materials:</b> Recommended Learning Resources.	<b>Supplementary Materials:</b> Lecture notes and tutor extra reading recommendations.
<b>Special Requirements:</b> The unit requires a combination of lectures, demonstrations and discussions.	
<p><b>Intended Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>The wide range involvement of real estate; the buying and selling of commercial properties and site developments.</li> <li>The incidents of frauds in the estate investment market and analysing the government laws to regulate the real estate transactions.</li> <li>How to identify long term deviations from real estate price trends and the characteristics of booms and busts.</li> <li>The full range of corporate, structured</li> </ol>	<p><b>Assessment Criteria:</b></p> <ol style="list-style-type: none"> <li>1.1 Explain the various types of land</li> <li>1.2 Analyse the importance of real estate management</li> <li>1.3 Examine real-estate markets data and statistics</li> <li>1.4 Describe real estate careers</li> <li>2.1 Identify real estate legal issues</li> <li>2.2 Describe title deeds</li> <li>2.3 Describe government controls and regulations</li> <li>2.4 Analyse urban and regional planning issues</li> <li>2.5 Outline objectives of the Real Estate laws</li> <li>2.6 Describe the requirement of Real Estate license</li> <li>3.1 Explain market value determinants</li> <li>3.2 Analyse market value valuation tools</li> <li>3.3 Distinguish sales comparison vs cost approach</li> <li>3.4 Distinguish direct capitalisation and discounted cash flows (DCF) models</li> <li>4.1 Explain mortgage clauses</li> </ol>

<p>finance and capital raising services, together with non-discretionary investment advice for individual properties, portfolios, indirect ownership services and complex situations.</p>	<p>4.2 Describe real estate finance laws 4.3 Analyse mortgage institutions and mortgage lenders 4.4 Analyse market value of a loan 4.5 Define structured finance 4.6 Explain the essence of structured finance activities 4.7 Define asset and structured finance 4.8 Describe debt capital raising services 4.9 Explain equity capital raising services</p>
<p>5. Describe the Commercial Real Estate Brokerage business plan and services; Management industry description and categories.</p>	<p>5.1 Outline the functions of brokers 5.2 Describe why sellers use brokers 5.3 Describe the real-estate licensing process 5.4 Define the contents of sale contract 5.5 Demonstrate how to produce a sale of contract</p>
<p>6. The Opportunity Costs of Real Estate Investing and describe reasons Why “Opportunity Cost” for New Real Estate Investors is Important.</p>	<p>6.1 Outline the effects of time and risk on value 6.2 Demonstrate how to use internal rate of return and net present value decision rules 6.3 Demonstrate how to compute payment on a mortgage loan 6.4 Describe the opportunity costs of real estate investing 6.5 Describe how do opportunity costs apply to commercial real estate 6.6 Evaluate how opportunity costs impacts the real estate investor</p>
<p>7. Describe the requirements common to most Banks when it comes to financing Income Producing Properties (shopping strips, apartment buildings, and commercial warehouses).</p>	<p>7.1 Outline corporate mortgage types 7.2 Analyse construction lending 7.3 Analyse commercial real estate market 7.4 Discuss the Real Estate Investment Trust (REIT) market 7.5 Define financial leverage 7.6 Outline advantages and disadvantages of using ratio analysis to make real estate investment decisions 7.7 Describe how to calculate taxable income/loss on rented properties</p>
<p>8. Property Management, Facilities Management and Asset management as well as comparing and contrasting the three management sectors.</p>	<p>8.1 Distinguish property manager vs asset manager 8.2 Describe landlord-tenant laws 8.3 Distinguish leasing vs subletting 8.4 Explain commercial leases 8.5 Identify types of retail properties 8.6 Describe construction project process 8.7 Describe facilities management</p>
<p><b>Methods of Evaluation:</b> A 2½-hour written examination paper with five essay questions, each carrying 20 marks. Candidates are required to answer all questions. Candidates also undertake project/coursework in Real Estate Management with a weighting of 100%.</p>	

### Recommended Learning Resources: Real Estate Management

<b>Text Books</b>	<ul style="list-style-type: none"><li>• Real Estate Management Law by Richard Card, John Murdoch &amp; Sandi Murdoch. ISBN-10: 0199572046</li><li>• Stapleton's Real Estate Management Practice by Anthony Banfield. ISBN-10: 0728204827</li><li>• Property Development by Sara Wilkinson. ISBN-10: 0415430631</li></ul>
<b>Study Manuals</b> 	BCE produced study packs
<b>CD ROM</b> 	Power-point slides
<b>Software</b> 	None

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