

**COLLEGE:** College of Business and Social Sciences  
**DEPARTMENT:** Accounting and Finance  
**PROGRAMME:** Banking and Finance  
**COURSE CODE:** BFN 314 Real Estate Finance  
**UNITS:** 2  
**COURSE LECTURERS:** Dr Abdulahai and Mr Ajayi S. A.  
**SEMESTER:** Alpha  
**LECTURE TIME:** 12:00 – 2:00 Noon (Tuesdays)  
**VENUE:** A 013

#### **A. Course Overview**

Real Estate Finance seeks to introduce and expose the students to the meaning, definition and types of property, its ownership structure and main acquisition methods. The Economic fundamentals of the Market, supply and demand for housing in Nigeria and the adjustment mechanism of the analysis to changes due to depreciations, costs, demand and supply all will be explore. Furthermore, it expounds the various options of Mortgage financing Real Estate and its implications. And more importantly, it explains Real Estate Valuation, theory, types of value, practice and approaches to value techniques.

#### **B. Course Objectives / Goals**

At the end of the course, students should be able to

Understand the Real Estate financing and the profitability of investing and viability the market.

Value Real Property as it is done in market conditions.

Garner knowledge in appraisal and investment analysis to determine profitability and suitability of Real Property.

#### **C. Methods of lecture delivery/Teaching aids.**

- 1 One and half hour lecture and thirty minutes tutorial per week.
- 2 Lecturing to be aided by Audio Visual, worked examples and exercises where and when necessary.

#### **D. Course Outline**

Week 1&2 Introduction and Definition of Real Property, type Ownership, title, Deed and Interest Rights

Week	3&4	Economics of Real Estate, Markets Participants Demand and Supply of housing and Factors affecting Demand and Supply
Week	5&6	Analysis of the Market Price elasticity of Supply and Demand Adjustment Mechanism in Supply and Adjustment with depreciation Increase in Demand and Cost.
Week	7&8	Mortgage financing of Real Estate, Options and Methods of Financing Through Commercial Bank and Savings Bank, Mortgage bank and brokers, Life Insurance Company, Credit Unions and Government Agencies
Week	9	<b>MID SEMESTER TEST</b>
Week	10	Theory and valuation of Real Estate
Week	11&12	Valuation methods-Cost Approach- property valuation technique Sales comparison approach Income capitalization approach
Week	13&14	Investment Analysis, Appraisal Principles- Net Operating Income, Operating Income, NPV and IRR methods.
Week	15	Revision.

#### **E. Tutorials**

Tutorial will be held on weekly basis. Student will be given questions to practice and review. Each students is expected to work on small groups led by a tutorial masters.

#### **F. Structure of the Programme/Method of Grading**

Continuous Assessment (CA)	30%
Examination	70%
Total	100%

#### **G. Ground Rules and Regulations**

Every class is expected to be an interactive one. Therefore, students are require to be punctual and attend lectures, participate actively in class and tutorials, read recommended texts and lecture materials, do all assignments and test as given.

#### **H. Topic for term Paper / Assignment**

Assignment will be given to the class on Analysis of Real Estate Market which will be sub divided into Market Analysis, Marketability Analysis and Feasibility study. Class test will be given as follows:-

Test 1. Covered Ownership, title, Deed and Interest Rights

Test 2. (Mid-Semester Test) Covered Economics of Real Estate, Analysis of the Market Price elasticity and Mortgage financing of Real Estate.

Test 3. Covered Theory and valuation of Real Estate and Investment Analysis in Real Estate.

### **I. Alignment with the Goals and Vision of Landmark University**

In accordance of the vision of the institution which is to train solution provider and great thinkers desirous of confronting and tackling the myriads of challenges besetting the society, this course will provide a training ground for the accumulated experience needed for driving this vision. Since the course teaches the basis knowledge of Real Estate and Management requirements, techniques, analysis and instruments of investment in the Real Estate sector of Nigeria market that will promote self reliance.

### **J. Contemporary Issues / Industry Relevance.**

With the dearth of professional in the field, the knowledge garnish in this course will give them an edge over their contemporary and make them an outstanding practitioner in the field.

### **K. Recommended Texts:**

Adeniyi, E. O. (1996). "Housing in Nigerian National Development" in Housing in Nigeria by Adepoju Onibokun

Bichi K.M. (1997). "Housing Finance in the Context of Vision 2010". Housing Today.

Enuenwosu, C.E. (1985): "The Federal Mortgage Bank of Nigeria: Its Objectives and Future Prospects". Central Bank of Nigeria Bullion July - September

Falegan, S.B. (1980): "Problems and Prospects of the Federal Mortgage Bank of Nigeria". Central Bank of Nigeria Bullion April – June.

Federal Republic of Nigeria (1990) - National Housing Policy - Federal Ministry of Works and Housing. Feb.

Okonkwo O. (1999). "Mortgage Finance in Nigeria". Esquire Press Ltd.

Onabule, G.A. (1992). "Mortgage Banking in Nigeria Yesterday, Today and Tomorrow". Housing Today.