



DeGroote
School of Business

COMM 4FT3 – Real Estate Finance and Investment Winter 2026 Course Outline

Finance and Business Economics Area DeGroote School of Business McMaster University

COURSE DESCRIPTION

The course covers key aspects of real estate and financing including important legal concepts, time value of money concepts related to real estate, financing residential properties, investment analysis and financing of income properties, and analysis of construction and land development projects.

Concepts and techniques introduced in the course include investing, financing, appraising, consulting, managing real estate portfolios, leasing, managing property, analyzing site locations and managing corporate real estate asset.

INSTRUCTOR AND CONTACT INFORMATION

Class Timing: **Mondays at 11.30 AM**

All times referenced in this document are Eastern.

Adeel Mahmood

Instructor

Office Hours: Before or after class, or by appointment

COURSE ELEMENTS

Credit Value: 3	Leadership: Yes	IT skills: Yes	Global view: Yes
Avenue: Yes	Ethics: No	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: Yes	Group Work: Yes	Oral skills: Yes

COURSE PREREQUISITES AND COMPLEMENTS

COMMERCE 2FB3 (or 3FA3) or IBH 3AC3; and registration in any Bachelor of Commerce or Engineering and Management program or relevant minor

COURSE OVERVIEW

This course is intended for students who wish to enhance their skills and knowledge in real estate finance and investment. The course introduces students to the risks and rewards that arise in investing in and financing both residential and commercial real estate.

Concepts and techniques introduced in the course are intended to provide students with preparation for a variety of careers in the real estate industry. These include investing, financing, appraising, consulting, managing real estate portfolios, leasing, managing property, analyzing site locations, and managing corporate real estate.

LEARNING OUTCOMES

Upon successful completion of the course, students will be able to:

1. Explain and apply foundational legal, institutional, and market concepts underlying real estate ownership, transfer, leasing, and investment decisions across residential and commercial property types.
2. Analyze mortgage structures and financing instruments, and evaluate their risk–return implications for borrowers and lenders.
3. Apply time value of money techniques to real estate cash flows.
4. Evaluate single-family residential investment opportunities by assessing pricing, underwriting standards, financing terms, and borrower credit risk.
5. Analyze income-producing properties by estimating income and cash flow levels, understanding lease structures, and assessing market demand for space.
6. Value income-producing real estate assets using a variety of approaches.
7. Assess the effects of financial leverage and financing alternatives on real estate investment returns, risk exposure, and equity performance.
8. Evaluate land development and construction projects by analyzing development cash flows, financing structures, and risk at different stages of the development process.
9. Analyze publicly traded real estate investments, including REITs, and compare their risk, return, and liquidity characteristics with private real estate investments.
10. Integrate financial, market, and risk analysis techniques to make informed real estate investment recommendations in applied case studies and the final project.

REQUIRED COURSE MATERIALS AND READINGS

Brueggeman & Fisher, *Real Estate Finance and Investments*, 2024 Ed; McGraw Hill Canada;

- eBook purchase from the bookstore for CAD 108.95 (ISBN: 9781264072934)
- eBook rental from the bookstore for CAD 75.95 (ISBN: 9781265393373)

Course content and class communication available on Avenue:

- <http://avenue.mcmaster.ca>

EVALUATION

Individual learning in this course results primarily from in-class discussions based on thorough preparation in advance of the assigned cases. The balance of the individual learning results from lectures on specific topics, student research, and industry project.

The final grade will be calculated as follows:

Components and Weights

Quizzes	Written online (individual)	5%
Class Participation	In class or reflection (individual)	10%
Two Term Tests	Written in class (individual)	2 x 25%
Real Estate Project	Due online at the end of the term (group)	35%
Total		100%

Quizzes

There are eight (8) **quizzes** in total, of which each student's **best five (5) marks** are used to compute their grade for this component. The quizzes are written online and can be completed from anywhere using a computer and an Internet connection. The quizzes are due by the end of the Sunday of the week for which they are assigned.

Each quiz has a limited duration but can be written anytime during a longer window of time. The quiz questions are multiple-choice in format. The content covered is the lecture topic in the week immediately preceding the quiz deadline. Students can use books, notes, and computing devices but must write each quiz on own without assistance from any other person.

The first three missed quizzes are dropped from the grade - such that the student's marks on the remaining quizzes are used to calculate the overall grade for this component. Any additional missed quizzes can only be accommodated for documented, valid reasons. (Students can also use available MSAF submissions to obtain accommodations.) The weight of such additional missed quizzes (with approved accommodations) is reallocated to that of the remaining quizzes.

Class Participation

Your participation is needed for a successful class. As in the workplace, your contribution matters to the success of the course. You bring insights and perspectives that can help your classmates understand the concepts better. For the most part, applications of the concepts

become clear through class discussion and exercises. Classes in which participation is recorded and scored are tagged as **P1** to **P8** in the course schedule.

If you miss a class and/or want to increase your participation points after class, you can complete a **class reflection** online, summarizing the chapter, case, and activity completed in that class. The deadline to submit your reflections is the end of the term (see the schedule below). Late submissions are not accepted.

Term Tests

Two term tests – *open-book*, *open-notes* tests – will be written during the term. More details of the format, structure, and content coverage will be provided on the course website.

A student *missing a Term Test* is required to contact the ‘Student Experience – Academic Office’ and obtain an official approval of relief if he or she wishes to avoid getting a zero (0) grade for the test. If ‘Student Experience – Academic Office’ adjudicates that relief be provided, the student will be able to write an alternate test, in lieu of the missed test, at the end of the term.

Real Estate Project

The learning keystone of this course is an investment-focused real estate project based. Working in teams, students will **research** and **present** the valuation and financing of a real estate property in the local metropolitan area. More details will be provided during the term.

Students will form groups for this component. *The group members will be assigned individual grades relative to the group grade based on the peer assessments completed during the course.*

The project is due online by the end of the term, while the presentation is due in the last class. Late submissions are subject to a 25% mark deduction for every 24 hours the submission is late.

<h2>COMMUNICATION AND FEEDBACK</h2>
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Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Area Administrative Assistants. All students must receive feedback regarding their progress prior to the final date by which a student may cancel the course without failure by default.

- For Level 1 and 2 courses, this feedback must be a minimum of 20% of the final grade.
- For Level 3 courses and above, this feedback must be a minimum of 10% of the final grade.

Instructors may solicit feedback via an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

Students who have concerns about the course content, evaluation methods, or delivery should first reach out to the course instructor. If your concern remains unresolved after speaking with the instructor, you may then reach out to the relevant Area Chair for further consideration.

COURSES WITH AN ONLINE ELEMENT

Some courses may use on-line elements (e.g. e-mail, Avenue to Learn, LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

CONDUCT EXPECTATIONS

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the ***Code of Student Rights & Responsibilities*** (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of A2L, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

EXTREME CIRCUMSTANCES

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, A2L and/or McMaster email.

COPYRIGHT AND RECORDING

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Speak with the instructor if this is a concern for you.

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar, *Requests for Relief for Missed Academic Term Work*, and the link below:

<http://ug.degroote.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

* Non-Commerce students must follow the Missed Course Work protocols outlined by their home faculty and Program Office.

GENERATIVE AI

Students may use generative AI for editing, translating, and revising their work throughout the course so long as the use of generative AI is referenced and cited. Use of generative AI outside the stated use of editing, translating, and revising without citation will constitute academic dishonesty. It is the student's responsibility to be clear on the limitations for use and to be clear on the expectations for citation and reference and to do so appropriately.

COURSE MODIFICATION

From time to time, there may be a need to add and/or remove topics or to change the schedule or delivery format. If these are necessary, you will be given as much advance notice as possible.

ACADEMIC INTEGRITY

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty, please refer to the Academic Integrity Policy at:

www.mcmaster.ca/academicintegrity

Students are responsible for being aware of and demonstrating behaviour that is honest and ethical in their academic work. Such behaviour includes:

- following the expectations articulated by instructors for referencing sources of information and for group work;
- asking for clarification of expectations as necessary;
- identifying testing situations that may allow copying;
- preventing their work from being used by others (e.g., protecting access to computer files); and
- adhering to the principles of academic integrity when conducting and reporting research.

STUDENT ACCESSIBILITY SERVICES

Students who require academic accommodation must contact Student Accessibility Services (SAS) to make arrangements with a Program Coordinator. Academic accommodations must be arranged for each term of study. Student Accessibility Services can be contacted by phone 905-525-9140 ext. 28652 or e-mail sas@mcmaster.ca.

For further information, consult McMaster University's Policy for Academic Accommodation of Students with Disabilities:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicAccommodation-StudentsWithDisabilities.pdf>

ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the RISO policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

ACKNOWLEDGEMENT OF COURSE POLICIES

Your enrolment in this course will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.

Lack of awareness of the course policies cannot be invoked at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

COURSE SCHEDULE			
#	DATE	CONTENT	DUE
1	Mon, Jan 5	Introduction <i>Chapter 1</i>	-
2	Mon, Jan 12	Mortgages Chapters 4, 5, and 6	P1 in class Quiz 1
3	Mon, Jan 19	Single-Family Residential Properties Chapters 7 and 8	P2 in class Quiz 2
4	Mon, Jan 26	Income Producing Properties Chapters 9 and 10	P3 in class Quiz 3
5	Mon, Feb 2	IRRs and Financial Leverage Chapters 11 and 12	P4 in class Quiz 4
6	Mon. Feb 9	Term Test 1 (Written on campus in class hours)	
Feb 16 to 20		Study Break (<i>No Class</i>)	
7	Mon, Feb 23	Land Development Chapters 16 and 17	P5 in class Quiz 5
8	Mon, Mar 2	REITs and Real Estate Investments Chapters 21 and 22	P6 in class Quiz 6
9	Mon, Mar 9	Application: Office / Industrial Office / Industrial Case Study	P7 in class Quiz 7
10	Mon, Mar 16	Application: Residential Multi-Family Residential Case Study	P8 in class Quiz 8
11	Mon, Mar 23	Term Test 2 (Written on campus in class hours)	
12	Mon, Mar 30	Application: Retail Retail Case Study	-
13	Mon, Apr 6	Real Estate Project – Presentations <i>in class</i>	
Sun., Apr 12		Real Estate Project – Report <i>due online</i>	

Note: **P1** to **P8** represent the in-class components of class participation