

# FINC 3009 PROPERTY FINANCE

**Credit Points** 10

**Legacy Code** 200875

**Coordinator** Mustapha Bangura ([https://directory.westernsydney.edu.au/search/name/Mustapha Bangura/](https://directory.westernsydney.edu.au/search/name/Mustapha%20Bangura/))

**Description** The aim of this unit is to provide insight into property finance in Australia and overseas. Students critically review equity and debt financing and examine the financing alternatives available, as well as methods for evaluating these alternatives. Students also examine the impact of debt financing on a property and evaluate the taxation aspects of property transactions. In addition, students gain both a theoretical and an applied understanding of an after-tax cash flow projection in this unit. International property finance is also addressed.

**School** Business

**Discipline** Banking, Finance and Related Fields, Not Elsewhere Classified.

**Student Contribution Band** HECS Band 4 10cp

Check your HECS Band contribution amount via the Fees ([https://www.westernsydney.edu.au/currentstudents/current\\_students/fees/](https://www.westernsydney.edu.au/currentstudents/current_students/fees/)) page.

**Level** Undergraduate Level 3 subject

**Equivalent Subjects** LGYB 6469 Property Finance and Tax FINC 3010 Property Finance and Tax

**Restrictions** External offerings for this subject are only available to students who are enrolled in a Property program or field of study.

**Assumed Knowledge**

It is assumed that students will have a sound knowledge of:

1. Valuation and financial mathematics
2. Concepts of discounted cash flow analysis and application
3. Statutory valuation legislation and procedures
4. Property portfolio analysis and property investment analysis and application

## Learning Outcomes

On successful completion of this subject, students should be able to:

1. Explain the financial environment of Australia.
2. Assess and develop optimal financing strategies for property investments.
3. Outline the factors that determine the impact of leverage upon returns from property investments and developments.
4. Assess the impact of taxation on potential outcomes from investments in property.

## Subject Content

1. Overview of property investment financing.
2. The Australian financial system.
3. Mortgage loans including fixed and variable interest rate.
4. Financing analysis of residential properties and income-producing properties.
5. Financial risk analysis.
6. Property taxation (taxes on income, capital, transaction taxes, land tax).

7. Taxation and property investment implications.

## Assessment

The following table summarises the standard assessment tasks for this subject. Please note this is a guide only. Assessment tasks are regularly updated, where there is a difference your Learning Guide takes precedence.

Item	Length	Percent	Threshold	Individual/Group Task
Report	2,500 words	50	N	Individual
Final examination	2 hours	50	N	Individual

Prescribed Texts

- Brueggeman & Fisher 2011, Real estate finance and investments, 14th edn, McGraw-Hill, Boston.

Teaching Periods

## Spring

### Parramatta City - Macquarie St

**Day**

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View timetable ([https://classregistration.westernsydney.edu.au/even/timetable/?subject\\_code=FINC3009\\_22-SPR\\_PC\\_D#subjects](https://classregistration.westernsydney.edu.au/even/timetable/?subject_code=FINC3009_22-SPR_PC_D#subjects))

### Parramatta External

**External**

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