

### **Lesson 1: Financing and Loan Packages**

An investor can borrow a major portion of the purchase price of a property. Consequently, financing plays a large role in making decisions about real estate.

In this lesson, you will learn how to:

- List common sources of investment real estate loans
- Detail the elements of a loan package used to secure financing

### **Lesson 2: Loan Structures and Fees**

Financing for a property may be required for acquisition, major replacements, and renovations. Thus, one of a real estate manager's responsibilities may be to compare loan options in order to select the most advantageous loan structure form available. To do this, the real estate manager must understand the various types of loans that can be obtained in the marketplace today.

In this lesson, you will learn how to:

- Define common loan types
- List fees associated with financing

### **Lesson 3: Loan Calculation**

Although few real estate managers make decisions about financing on their own, an understanding of loan calculations leads to better decision making, assessment of financial condition, and knowledge of how a property operates.

In this lesson, you will learn how to:

- Compare financial calculation tools
- Calculate principal and interest on several types of loans
- Calculate effective interest rate

### **Lesson 4: Loan Analysis**

Equity holders and lenders alike invest in real estate because the returns are higher than those from "safe investments," such as government securities. When evaluating a potential loan recipient, lenders examine a number of aspects of the potential borrower and of the property itself and weigh risks associated with financing. This is why the loan package needs to be complete and meet lender criteria.

In this lesson, you will learn how to:

- Define and calculate lender ratios
- Determine leverage position
- Conduct a break-even analysis

### **Lesson 5: Lender Rights and Recourses**

Measuring risk helps lenders avoid making bad loans. However, even with all the best risk measures in place, lenders must have ways to protect themselves if a loan does not perform as desired or becomes delinquent. This could impact your property if it is not performing well and cannot meet debt obligations.

In this lesson, you will learn how to:

- Describe liens
- Explain loan workout arrangements

### **Lesson 6: Exploring the IREM Financial Analysis Spreadsheet**

Financial tools can greatly impact the accuracy and efficiency of a real estate manager's work.

In this lesson, you will learn how to:

- Use the IREM Financial Analysis Spreadsheet to perform loan calculations and analyses