

## **Learning Objectives**

- Recognize basic financial statements and accounting procedures.
- Identify and apply different financial analysis ratios.
- Recognize and apply key financial ratios useful for real estate.
- Calculate interest payments, insurance premiums, loan values, and income ratios.
- Recognize and calculate various area measurements useful for real estate valuation.

## **Topics Covered**

### **Chapter 1: Real Estate Accounting**

- Basic Accounting
- Financial Statements for Individuals
  - Income Statement
  - The Balance Sheet
- Financial Statements for Business
  - Accounting Rules
- Financial Analysis

### **Chapter 2: Mathematics of Finance**

- The Basic Use of Numbers
- Solving For Unknowns
- Applications
  - Interest
  - Basis Points
- Discounting
  - Annual Percentage Rate (APR)
  - Discounting Second Mortgages
- Amortization
- Stipulated Amount Payments
- Loan Payoff
- Add-On Interest
- Income Capitalization
- Area Measurement
  - Volume Measurement
  - Front-Foot Calculations