**BAN 1240 ESSENTIALS OF RETAIL LENDING**

Course Description:
This course will teach students the skills to perform sound retail loan decisions by effectively evaluating loan requests, analyzing the repayment capacity of a Borrower, identifying risks, and monitoring loans and consumer lines of credit. Students will develop a greater understanding for customer relationship building as well as the laws and regulations that impact lending transactions. The student will also review loan origination strategies and channels, credit policy, underwriting and collection practice. (3 hr. Lecture)

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<tr>
<th>Course Competency</th>
<th>Learning Outcomes</th>
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| **Competency 1:** The student will learn to assess and manage a retail credit request by: | • Numbers / Data  
• Critical thinking  
• Information Literacy  
• Ethical Issues |
| 1. Describing the critical elements to consider when performing a preliminary analysis of the retail loan request.  
2. Evaluating the customer credit history, repayment source, collateral and financial capacity.  
3. Discussing the main risks in retail lending.  
4. Describing sector specific products in retail lending including auto lending, mortgage and equity loan products, credit card lending, student loans and unsecured personal loans. | |
| **Competency 2:** The student will demonstrate an understanding of the essentials of the retail lending by: | • Numbers / Data  
• Critical thinking  
• Ethical Issues |
| 1. Explaining the retail lending process.  
2. Describing the application, business ethics and the lending decision steps in the approval of a retail credit.  
3. Describing typical documentation required in retail lending.  
4. Explaining compliance rules and regulations applicable to the retail industry. | |
5. Describing major changes in retail banking and the impact of digital banking in the retail lending environment.

**Competency 3:** The student will learn to perform the elements of repayment analysis in a retail credit decision by:

1. Evaluating the income sources from which the loan will be repaid.
2. Describing different resources available to assess the Borrower’s repayment capacity such as use credit reports and credit scores.
3. Describing the importance of financial statements and tax returns in the analysis of retail loans to determine debt capacity and repayment ability.
4. Explaining the process followed to calculate debt service capacity.

**Competency 4:** The student will learn the essentials of regulatory compliance, documentation, structuring, and managing a retail loan by:

1. Identifying the most common loan documents in retail loan transaction and their purpose.
3. Assessing potential loan structures, advances, payment, and common loan pricing.

- Numbers / Data
- Critical thinking
- Information Literacy
- Computer / Technology Usage

- Critical thinking
- Information Literacy
- Ethical Issues