BAN 2253  Residential Mortgage Lending

This course covers all phases of the residential mortgage lending process, including a foundation to the underwriting, credit analysis and servicing of residential mortgage loans. The student will learn the aspects of construction and permanent financing for residential property, real estate and mortgage law, financing options in real estate, appraisals, servicing, regulatory requirements and secondary mortgage markets. The students will become familiar with the critical issues necessary for any individual to operate successfully in the residential mortgage loan market. Target audience for this course includes loan officers, underwriters, loan processors and individuals interested in pursuing a career in the mortgage lending business. (3-hour lecture)

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<th>Course Competency</th>
<th>Learning Outcomes</th>
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| **Competency 1:** The student will learn the elements and information related to residential mortgage lending in the US financial system by: | • Communication  
• Information Literacy  
• Numbers / Data |

1. Discussing the role of commercial banks and other financial institutions in the residential mortgage market.  
2. Reviewing the different types of residential mortgage products.  
3. Describing major funding sources and quantitative factors in real estate lending.  
4. Discussing the aspects of home ownership, the economy and the prevailing market.

| **Competency 2:** The student will learn the legal, ethical and regulatory elements associated to real estate and mortgage law by: | • Ethical Issues  
• Communication  
• Information Literacy |

1. Analyzing the legal and ethical implications associated with the transfer of property.  
2. Discussing forms of ownership and interests in real property.  
3. Examining the elements of ownership, title records, documentation, information and issues that can interfere with property rights.  
4. Explaining the concept of federal regulation and ethics in real estate lending.
5. Discussing the principal laws applicable to real estate lending including fair housing laws and financial data privacy.
6. Reviewing the importance of required disclosures forms that must be given to mortgage loan applicants.

**Competency 3:** The student learn the elements and logistics associated to the real estate appraisal process by:

1. Describing the appraisal process including the regulatory requirements.
2. Explaining the conditions and limitations of real estate appraisals.
3. Discussing the different types of appraisals, theory, methodology and quantitative factors.

**Competency 4:** The student will learn the fundamentals of residential real estate financing and servicing by:

1. Discussing the logistics associated with the mortgage loan application process.
2. Reviewing financing options for 2-4 family properties.
3. Explaining the role of the loan servicing department and its legal responsibilities.
4. Reviewing the critical steps, qualitative and quantitative elements in the credit underwriting of real estate financing.
5. Analyzing the closing process in a residential mortgage loan including the review of documentation.