**Subject Code:** BRE319  
**Level:** 3  
**Contact Hours Lect:** 21  **Sem/Tut:** 21  
**Student Effort Hours:** 120

**Assessment Method:**  
Coursework 50%  
Examination 50%

**Credit Value:** 3

**Pre-requisites:** BRE216  
**Co-requisites:** Nil  
**Exclusions:** Nil

**Subject Leader/Lecturer/Dept.:** Y.P. Leung (BRE)

**Subject Aim:**

This subject is intended to:

1. Enable students to understand financial theories and the analytical techniques related to investment decisions.
2. Foster students’ awareness and understanding of property finance and the use of real-estate related financial instruments in today’s context.

**Learning Outcomes:**

Students will demonstrate their ability to:-

1. Interpret and evaluate the financial strength of real estate companies.
2. Use financial theories to assess a landed property as an investment asset with regard to its risk and return.
3. Draw upon the implications of financial planning on property investment decisions.
4. Appraise alternative investments within the context of Hong Kong, including both direct and indirect real estate investments and other financial securities.
5. Possess skills to identify, analyse and solve problems on contemporary issues.

**Brief Syllabus Content:**

**Property Finance**

An overview of capital markets and the different financial systems.  
An introduction of financial accounting including principal accounting concepts, basic accounting process, financial statements analysis and interpretation, and ratio analysis.  
Financial control and budgeting for Building Management  
Capital structure and tax implications.

**Property Investment**

Investment concepts and principles; investment vehicles; comparison between property investment and financial investment vehicles.  
Portfolio analysis, diversification and capital market theory, risk and return in property and stock investments.  
Market efficiency hypothesis and market performance measurement.

**Teaching activities:** Lecture (LT)/Tutorial (TU)/Seminar (SM)/Drawing (DW)/Laboratory or Practical (LB)/Studio (ST)/Workshop (WS)/Project (PJ)/Field Study (FS)/Guided Study (GS)/Visit (VS)
**Learning and Teaching Approach** (tasks and activities designed to achieve learning outcomes):

The principles of property finance and investment will be introduced in the lectures from which students can get an understanding of the financial theories and their applications to the landed property in Hong Kong. Presentations and group discussions will be conducted to create an environment that encourages active learning, consolidate understanding and enable application of theories. Wherever possible, guest speakers will be invited to discuss various topical issues with real examples.

**Assessment strategy** (assessment of student performance resulting from learning tasks):

Assessment will be based on 50% coursework and 50% examination. The coursework will comprise group presentations of selected articles and individual works of essay writing on topics related to the contemporary issues of the Hong Kong property and financial market. The group presentations will assess the learning outcomes of 1, 2 and 3, and the individual works will assess the learning outcomes of 4 and 5. The examination will assess all the 5 learning outcomes.

**Reading List:**


**Supplementary:**