

**City University of Hong Kong
Course Syllabus**

**offered by Department of Economics and Finance
with effect from Semester A 2024/25**

Part I Course Overview

Course Title:	Urban and Real Estate Economics
Course Code:	EF5409
Course Duration:	1 semester
Credit Units:	3
Level:	P5
Medium of Instruction:	English
Medium of Assessment:	English
Prerequisites: <i>(Course Code and Title)</i>	Nil
Precursors: <i>(Course Code and Title)</i>	Basic Microeconomics or equivalent & Basic Macroeconomics or equivalent
Equivalent Courses: <i>(Course Code and Title)</i>	Nil
Exclusive Courses: <i>(Course Code and Title)</i>	Nil

Part II Course Details

1. Abstract

This course aims to provide students with knowledge and techniques to formulate and solve models in modern urban and real estate economics. Emphasis will be placed on models which generate testable implications and carry important policy implications. In the term project, students are expected to be able to critically evaluate the existing literature, or even propose new research possibilities. In the final examination, students are expected to solve economic models, which are variants of the existing literature, and to relate the implications of those models to the empirical stylized facts.

The course will strengthen students' discovery skills when they examine issues related to demographic trends, changing economic activities, financial market volatility and local government behavior as they affect the real estate markets.

The project presentation and examinations will reflect their accomplishments in discovery and innovation.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs	Weighting (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Demonstrate understanding of basic dynamic optimization.	20%	√	√	
2.	Apply variants of the Lucas Tree model under different government policies and economic environments and integrate the theoretical model and property market in practice to implement and examine the interactions between the financial market and the real estate market.	20%	√	√	√
3.	Demonstrate understanding of variants of the Overlapping Generations model under different government policies and economic environments, and integrate theoretical model and property market in practice to implement and examine the intergenerational issues in the real estate market.	20%	√	√	√
4.	Demonstrate understanding of variants of the Kiyotaki-Moore model under different government policies and economic environments, and integrate theoretical model and property market in practice to implement and examine the credit market-related issues in the real estate market.	20%	√	√	√
5.	Demonstrate understanding of variants of the Alonso-Muth-Epple model under different government policies and economic environments, implement and examine the spatial segregation and urban economic issues in the real estate market.	20%	√	√	√
		100%			

A1: *Attitude*

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: *Ability*

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: *Accomplishments*

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Learning and Teaching Activities (LTAs)

(LTAs designed to facilitate students' achievement of the CILOs.)

LTA	Brief Description	CILO No.					Hours/week (if applicable)
		1	2	3	4	5	
Seminar	Students will engage in seminars to think critically and logically by asking them to respond to questions and solve problems instead of giving solutions.	√	√	√	√	√	2
Peer Discussion	Students will discuss topics related to property development, the impact of different government policies on the housing market in Asia and other economies, and current issues related to the real estate market.	√	√	√	√	√	1
Saturday Seminars	Students will participate in a few Saturday seminars organized by the department, with speakers from the industry or government agencies. Depending on the teaching schedule, a seminar review report may be required as a substitute for the project presentation. The seminar and discussion with the speaker in a Q&A and post-seminar networking sessions will enhance critical thinking skills. The ability to discover and innovate would be enhanced through seminar attendance and a seminar report of good quality will be considered an accomplishment in discovery and innovation.	√	√	√	√	√	

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.					Weighting	Remarks
	1	2	3	4	5		
Continuous Assessment: 50%							
Course work (group project; final written report submission; project presentation; seminar review report)	√	√	√	√	√	50%	
Examination: 50% (duration: 3 hours, if applicable)							
Final Examination	√	√	√	√	√	50%	
						100%	

The essay questions in final examination will help students integrate theories and concepts and develop their problem solving skills. The final examination emphasizes the applications of their analytical skills. This reflects the accomplishments of discovery and innovation.

The topic of the group projects must be based on scenarios related to current issues and will develop students' ability in making use of information they collected for analysis.

Students are required to pass both coursework and examination components in order to pass the course.

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Applicable to students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
1. Course work (group project; final written report submission; project presentation; seminar review report)	Demonstrate good understanding of the theories and models related to urban and real estate economics and the capability of applying the knowledge learnt to daily practical real life cases.	High	Significant	Moderate	Basic	Not even reaching marginal levels
2. Final Examination	Demonstrate familiarity with the various theories and models of urban and real estate economics.					

Applicable to students admitted from Semester A 2022/23 to Summer Term 2024

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B)	Marginal (B-, C+, C)	Failure (F)
1. Course work (group project; final written report submission; project presentation; seminar review report)	Demonstrate good understanding of the theories and models related to urban and real estate economics and the capability of applying the knowledge learnt to daily practical real life cases.	High	Significant	Basic	Not even reaching marginal levels
2. Final Examination	Demonstrate familiarity with the various theories and models of urban and real estate economics.				

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

(An indication of the key topics of the course.)

Introduction to Real Estate Markets

Basic Dynamic Optimization techniques

Housing Decisions and Residential Property Market

Firm Decisions and Commercial Property Market

Real Estate Finance and Mortgage Instruments

Property Market Cycles

Role of Government Policies in Property Markets

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

1.	Sargent, Thomas (1987), <i>Dynamic Macroeconomic Theory</i> , Cambridge: Harvard University Press.
2.	Manuelli, R. and T. Sargent (1987) <i>Exercises in Dynamic Macroeconomic Theory</i> , Cambridge: Harvard University Press.

2.2 Additional Readings

(Additional references for students to learn to expand their knowledge about the subject.)

1.	Ben-Shahar, Danny; Charles Ka Yui Leung and Seow Eng Ong ed. (2008), <i>Mortgage Market Worldwide</i> , Oxford: Blackwell Publishing.
2.	Brakman, Steven; Harry Garretsen and Charles van Marrewijk (2001), <i>An Introduction to Geographical Economics: Trade, Location and Growth</i> , Cambridge: Cambridge University Press.
3.	Brueggeman, William and Jeffrey Fisher (1997), <i>Real Estate Finance and Investment</i> , Chicago: IRWIN (10th edition).
4.	Chan, Su Han; John Erickson and Ko Wang (2003), <i>Real Estate Investment Trusts: Structure, Performance, and Investment Opportunities</i> , Oxford: Oxford University Press.
5.	Fujita, Masahisa (1989), <i>Urban Economic Theory</i> , Cambridge: Cambridge University Press.
6.	Fujita, Masahisa; Paul Krugman and Anthony Venables (2001), <i>The Spatial Economy: Cities, Regions and International Trade</i> , Cambridge: MIT Press.
7.	Fujita, Masahisa and Jacques-Francois Thisse (2002), <i>Economies of Agglomeration: Cities, Industrial Location, and Regional Growth</i> , Cambridge: Cambridge University Press.
8.	Henderson, J. Vernon and Jacques-Francois Thisse (2004), <i>Handbook of Regional and Urban Economics</i> , Vol. 4, <i>Cities and Geography</i> , New York: Elsevier.
	Online Resources
9.	National Bureau of Economic Research website http://www.nber.org/
10.	IDEAS: Economics and Finance Research website http://ideas.repec.org/