Course Description

BCT1750 | Building Construction Financing | 3.00 credits

This course is a study of building construction financing and related contract requirements. Topics include construction loans, permanent building mortgages, construction bids and contracts, penalty and incentive provisions, progress payments and retention, escalation, escalation provisions, costs extras, performance and bid bonds, company profits, cash flow, and business loans.

Course Competencies:

Competency 1: The student will evaluate financing options in construction by:

1. Analyzing the terms and conditions of construction loans and permanent building mortgages
2. Comparing different financing structures and their impacts on project feasibility
3. Assessing the risks associated with various financing methods in building construction

Competency 2: The student will interpret contract requirements related to construction financing by:

1. Examining the components of construction bids and contracts
2. Identifying key penalties and incentive provisions that influence contractor performance
3. Understanding the implications of escalation clauses and cost extras within contracts

Competency 3: The student will manage payment processes in construction projects by:

1. Developing strategies for progress payments and retention management
2. Evaluating the impact of cash flow on project timelines and contractor profitability
3. Analyzing the role of performance and bid bonds in securing financial obligations

Competency 4: The student will analyze business financial management in construction by:

1. Investigating the factors that contribute to company profits in the construction industry
2. Creating financial models to forecast cash flow and manage business loans effectively
3. Assessing financial performance metrics and their relevance to construction project success

Learning Outcomes

- Communicate effectively using listening, speaking, reading, and writing skills
- Use quantitative analytical skills to evaluate and process numerical data
- Solve problems using critical and creative thinking and scientific reasoning
- Formulate strategies to locate, evaluate, and apply information

Updated: Fall 2025