

University of North Texas

# G. Brint Ryan College of Business

**FINA 4650-001 / Lending Smarts: How to Finance Business Growth with Confidence: Spring 2026**

**In Person Class, Meets in BLB 281: Tuesday, 6:30 pm – 9:20 pm**

**Adj Professor: Randy Sahn & Jack Patton**

**Contact: [rsahm@trb.bank](mailto:rsahm@trb.bank)**

**[jackson.patton@firstunitedbank.com](mailto:jackson.patton@firstunitedbank.com)**

**FIREL Receptionist's Line: 940-565-3050**

**Office Hours: By appointment**

## Pre-requisites

Students must complete FINA 3770 before enrolling in this course.

Students who are non-degree or degree seeking undecided may not register for certain courses without departmental approval.

## Course Description and Course Objectives

This course provides future bankers and financial professionals with the knowledge and skills needed to effectively assess, manage, and make decisions regarding commercial loans. The main objective is to equip students with the tools and insights needed to make sound, informed lending decisions that balance risk and reward while contributing to the success of both the bank and its clients.

Upon successful completion of this course, students should be able to:

- ✚ Explain why the commercial lending process is necessary. (Chapter 1)
- ✚ Explain the importance of a credit investigation and describe what it entails. (Chapter 2)
- ✚ Identify the key elements of a credit risk rating. (Chapter 3)
- ✚ Describe the loan review process (Chapter 3)
- ✚ Identify typical components of a commercial loan package and memorandum. (Chapter 4)
- ✚ Identify borrowing structures and describe their advantages. (Chapter 5)
- ✚ Identify sources of repayment and the factors that affect collateral value. (Chapter 6)
- ✚ Describe the loan documentation process and requirements. (Chapter 7)
- ✚ Explain the best practices for loan closing (Chapter 7)
- ✚ Describe pricing considerations for a commercial loan. (Chapter 8)
- ✚ Identify and explain the loan negotiation process. (Chapter 8)
- ✚ Identify the costs and causes of problem loans. (Chapter 9)
- ✚ Describe the solutions to problem loans (Chapter 9)

## Required text

- ✚ **Canvas:** The **Canvas** website is your primary interface in this course. All portions of the course will be online. You can access the course material in Canvas at <https://unt.instructure.com/login/canvas>. After you log in using your EUID and password, click on FINA 4650 from the list of courses. If you run into technical problems while using Canvas, please call 940 565 2324 or email [vista@unt.edu](mailto:vista@unt.edu). All materials are grouped into modules in Canvas.
- ✚ **Text-book:** Commercial Lending: A Decision Tree Approach, Part II, American Bankers Association, 7th Edition, 2013, ISBN: 978-0-899-82682-0

## Recommended Readings

- *The Wall Street Journal*. Every student in our Master's program gets electronic access to the WSJ. You can request your subscription at this website: <https://cob.unt.edu/masters/wall-street-journal-online-subscription>
- Other interesting source of information includes *The Financial Times*, *The Economist*, and websites such as <https://www.bloomberg.com/>

## Excel/Calculator

Excel is a powerful tool for solving problems in this class, but a financial calculator, such as the Texas Instruments BA-II Plus, will also be very useful during exams.

## Class Format

The class will consist of lectures on the assigned topics. Students are expected to have read the assigned material before each class. Active participation and questions are strongly encouraged.

My best advice is to dedicate time each day to studying and working through the problems in the book until you feel confident with the material.

## Performance Evaluation

There will be three exams during the semester. Each exam will include the material covered in the prior exam. The dates for the exams are:

- Exam 1: Week 6
- Exam 2: Week 12
- Final Exam: Week 16

Please make sure that you do not have other commitments on these days, as exams are allowed on only the scheduled exam dates and there are no makeup exams.

The first and second exams will be held during regular class time on the dates indicated in the *Tentative Schedule* below in this document. <https://registrar.unt.edu/exams/final-exam-schedule/fall>

## Grades

Grades will be computed based on the following maximum number of points:

<i>Components of your Grades</i>					<i>Points</i>
Quiz #1 – weeks one through six material					275
Quiz # 2 – weeks seven through twelve material					275
Assignments / In class participation / attendance					200
Final Comprehensive Exam based on entire semester					350
Total					1100
<b>Grade Scale</b>	A: 1100 – 900	B: 899 – 800	C: 799 – 700	D: 699 – 600	F: < 600

Students are responsible for taking the scheduled exams except with accepted excuses. Viable excuses include documented sickness, death in the immediate family, or participation in university sanctioned activities. Beyond these exemptions, no makeup exams will be given.

## Tentative Schedule

This is a tentative schedule. Students are responsible for attending class and staying informed about any unexpected changes to the schedule. For example, a class may be canceled if I am ill or if the University is closed due to weather conditions. Important deadlines for dropping or withdrawing from the course can be found at: <https://registrar.unt.edu/exams/final-exam-schedule/fall.html>

	<b>Topic</b>	<b>Assignment</b>
Week 1	Introduction to Commercial Lending	Read Chapter 1
Week 2	The Commercial Lending Process and Initial Business Development Calls	Read Chapter 1
Week 3	Credit Investigation and Assessing Industry, Market, and Management Risk	Read Chapter 2
Week 4	Loan Policies and Procedures, Including Credit Risk Gradings	Read Chapter 3
Week 5	Loan Packages and Credit Write Ups, Review of Chapters 1-4 for Exam	Read Chapter 4
Week 6	<b>Exam 1</b>	
Week 7	Commercial Loan Structuring	Read Chapter 5
Week 8	Identifying Viable Secondary and Tertiary Sources of Repayment	Read Chapter 6
Week 9	<b>Spring Break</b>	
Week 10	Key Documents, Loan Agreements, and Covenants	Read Chapter 7
Week 11	Loan Pricing and Negotiation, Review of Chapters 1-8 for Exam	Read Chapter 8
Week 12	<b>Exam 2</b>	
Week 13	Problem Loans	Read Chapter 9
Week 14	Current Trends in Credit Markets	
Week 15	Semester Review for Final Exam	
Week 16	<b>Final Exam</b>	

## ACADEMIC INTEGRITY STANDARDS AND CONSEQUENCES

According to UNT Policy 06.003, Student Academic Integrity, academic dishonesty occurs when students engage in behaviors including, but not limited to cheating, fabrication, facilitating academic dishonesty, forgery, plagiarism, and sabotage. A finding of academic dishonesty may result in a range of academic penalties or sanctions ranging from admonition to expulsion from the University.

## EMERGENCY EVACUATION PROCEDURES FOR BUSINESS LEADERSHIP BUILDING

- **Severe Weather** In the event of severe weather, all building occupants should immediately seek shelter in the designated shelter-in-place area. If unable to safely move to the designated shelter-in-place area, seek shelter in a windowless interior room or hallway on the lowest floor of the building. All building occupants should take shelter in rooms 055, 070, 090, and the restrooms on the basement level or in rooms 170, 155, and restrooms 122, 182 or 183 on the first floor.
- **Bomb Threat/Fire** In the event of a bomb threat or fire in the building, all building occupants should immediately evacuate the building using the nearest exit. Once outside, proceed to the designated assembly area. If unable to safely move to the designated assembly area, contact one or more members of your department or unit to let them know you are safe and inform them of your whereabouts. Persons with mobility impairments who are unable to safely exit the building should move to a designated area of refuge and await assistance from emergency responders. All building occupants should immediately evacuate the building and proceed to the south side of Crumley Hall in the grassy area, west of parking lot 24.

## STUDENT PERCEPTIONS OF TEACHING (SPOT)

Student feedback is important and an essential part of participation in this course. The student evaluation of instruction is a requirement for all organized classes at UNT. The short SPOT survey will be made available at the end of the semester to provide you with an opportunity to evaluate how this course is taught. You will receive an email from "UNT SPOT Course Evaluations via IASystem Notification" ([no-reply@iasystem.org](mailto:no-reply@iasystem.org)) with the survey link. Please look for the email in your UNT email inbox. Simply click on the link and complete your survey. Once you complete the survey you will receive a confirmation email that the survey has been submitted. For additional information, please visit the spot website at [www.spot.unt.edu](http://www.spot.unt.edu) or email [spot@unt.edu](mailto:spot@unt.edu).



## DISABILITY ACCOMMODATION

*The University of North Texas is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 – The Rehabilitation Act of 1973 as amended. With the passage of new federal legislation entitled Americans with Disabilities Act (ADA), pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.*

As a faculty member, I am required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. Information regarding specific diagnostic criteria and policies for obtaining academic accommodations can be found at <http://www.unt.edu/oda/apply/index.html>. Also, you may visit the Office of Disability Accommodation in the University Union (room 321) or call them at (940) 565-4323.

If you need an accommodation, please contact me as soon as possible but at the latest by the second week of class.