

# FINA 6324 Securitization Markets

## Executive Summary

**Course:** FINA 6324 Securitization Markets

**Credits:** 2 credits

**Prerequisites:** FINA 6121

### Description

Securitization has been one of the most important financial innovations of the past 25 years. It has changed the way consumers and institutions get credit and the way financial institutions manage portfolios. This course is an in-depth survey of the institutional details of the securitization market and will provide students with an overarching framework to understand the securitization market.

### Objectives

Students will study:

- Issuer & Investor Motivations and Constraints
- Basics of Structuring & Risk Mitigation Techniques
- Legal and Accounting Issues
- Mortgage Backed Security (MBS) Market including: Agency, Non-conforming, Subprime Mortgages, Collateralized Mortgage Obligations (CMOs) and Valuation
- Asset Backed Securities (ABS) Market including: Auto Loans, Credit Cards, Commercial Mortgage Backed Securities (CMBS) and Collateralized Debt Obligations (CDOs)

### Learning Outcomes

Students will demonstrate knowledge of:

- Modeling cash flows from basic securitized structures
- Tradeoffs between credit risk and prepayment risk
- Analysis of risk factors