Real Estate

REAL ESTATE - COURSE DIFFERENTIATION

Quantitative

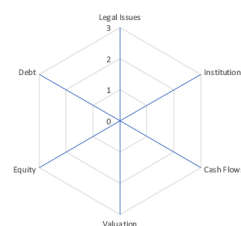**Qualitative**
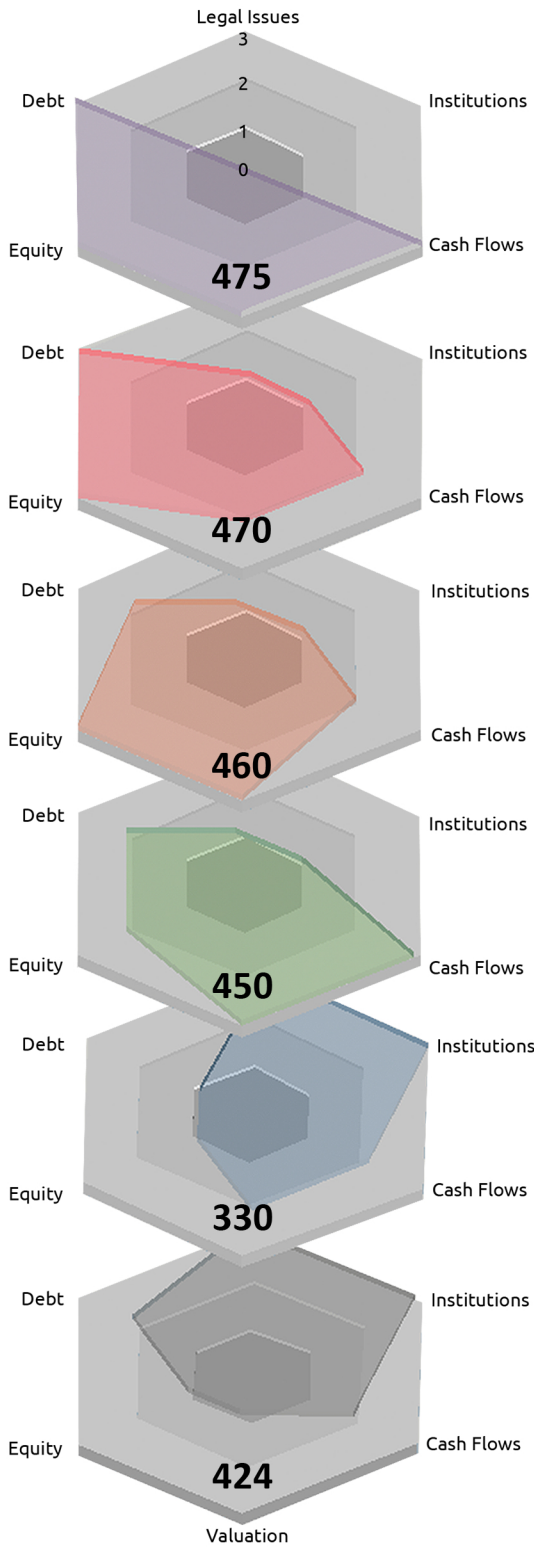
Key Metrics

475 - Quantitative Analysis
470 - Real Estate Capital Markets
460 - Real Estate Financial Analysis
450 - Contemporary Issues
330 - Risk Analysis
424 - Real Estate Law

0 - Minimum Coverage; 1 - Some Coverage
2 - Medium Coverage; 3 - Extensive Coverage

Real Estate

424 - REAL ESTATE LAW

Analyze contemporary law applicable to various types of ownership interests and rights, methods of transferring ownership, and use of real property.

B LAW 424 B LAW (R M) 424 Real Estate Law (3) Analysis of contemporary law applicable to various types of ownership interests and rights, methods of transferring ownership, and use of real property.

The objectives for this course are:
(1) to provide students with an understanding of essential U.S. real estate property law, including the rights private property owners may obtain, how ownership and transfer are handled in view of present and future interests, constitutional issues that impact real estate ownership, and the legal aspects of modern real estate contractual transactions;
(2) to teach students the ability to spot the legal issues arising from the above as future business leaders and
(3) to introduce students to the legal reasoning process necessary to address and avoid the legal dilemmas presented by such issues. Instructional methods for the course will include detailed lectures and classroom discussion of readings and other materials. Student progress and mastery of the material will be evaluated through periodic examinations.
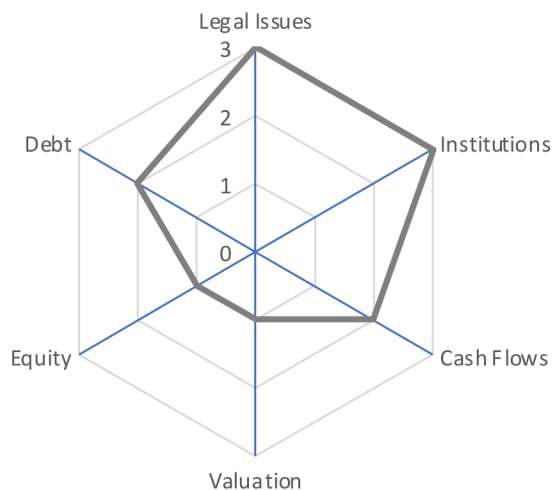
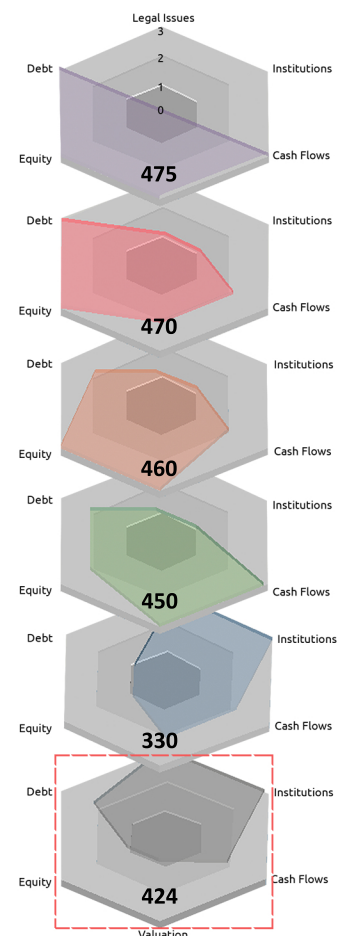Quantitative — Qualitative

Course Information

Enforced Prerequisite at Enrollment:
BLAW 341
or
BLAW 243

Credits:
3

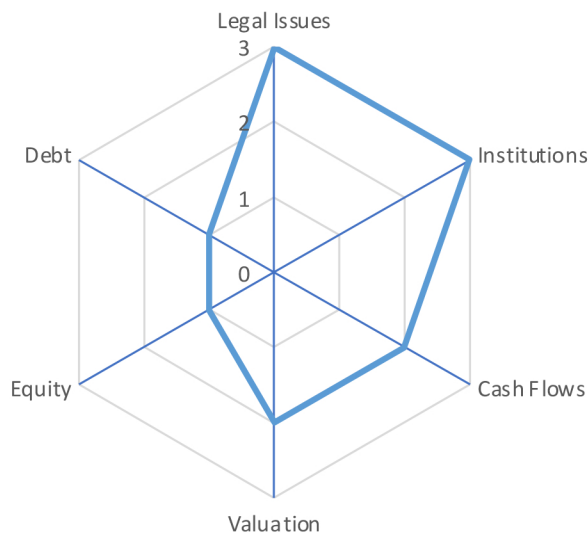**Professor:**
Kyle Kaplan

Key Metrics:

Real Estate

330W - REAL ESTATE RISK ANALYSIS

Risk and value associated with real estate decision making, which includes purchasing, leasing renovation, financing, and investing.

The purpose of this course is to demonstrate how value and risk is central to virtually all real estate decision making, including whether and how to lease, buy or mortgage a property acquisition; whether to renovate, refinance, demolish or expand a property; and when and how to divest a property.

The goal is to finish the course with a value oriented framework based on a set of valuation and decision making tools that can be applied in a variety of real world situations and to understand industry indicators (external factors) that determine the level of risk associated with real estate ventures.
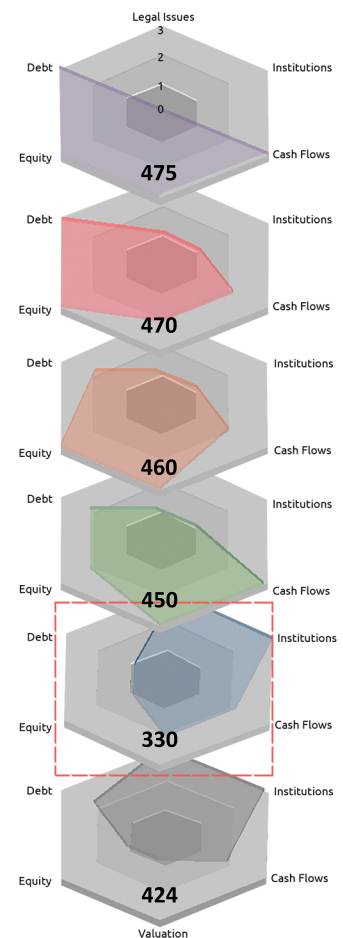
Course Information

Enforced Prerequisite at Enrollment:
5th - 11th Semester Standing

Credits:
3

Professor:
Mallory Meehan

Key Metrics:

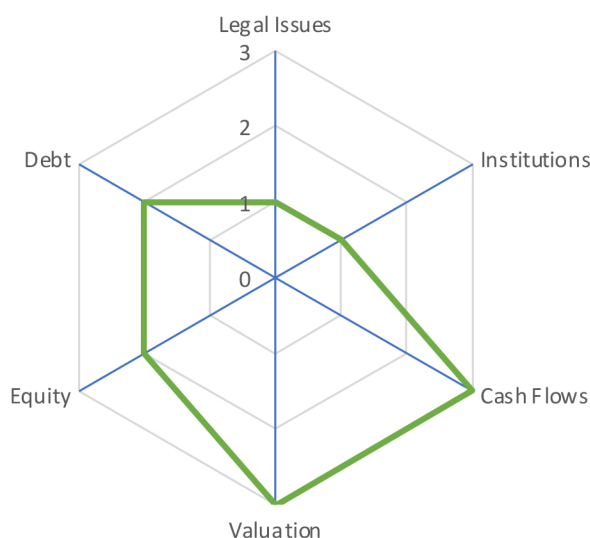Quantitative   Qualitative

Real Estate

450 - CONTEMPORARY ISSUES IN REAL ESTATE MARKETS

This course surveys important issues in real estate markets, including special characteristics of real estate markets, valuation of real properties, mortgage mechanics and calculations, valuing investment opportunities, financing corporate real estate, financing project development, and the secondary mortgage market.

After taking this course, students will be able to:
(1) Demonstrate understanding of basic features of real estate markets;
(2) Value real estate using the sales comparison approach and the income approach;
(3) Conduct mortgage- related calculations and make mortgage-financing decisions;
(4) Calculate before and after tax cash flows from income properties;
(5) Make investment decisions for income properties, and conduct sensitivity analysis;
(6) Conduct sensitivity analysis, partition Internal Rate of Return (IRR), and apply the real option approach in making investment decisions;
(7) Make real-estate-related decisions for non-real estate firms;
(8) Demonstrate understanding of the financing of project development;
(9) Know cash-flow mechanics and risk-sharing attributes of some mortgage-backed securities,
(10) Demonstrate understanding of Real Estate Investment Trusts (REITs) and their role in real estate investment

Course Information

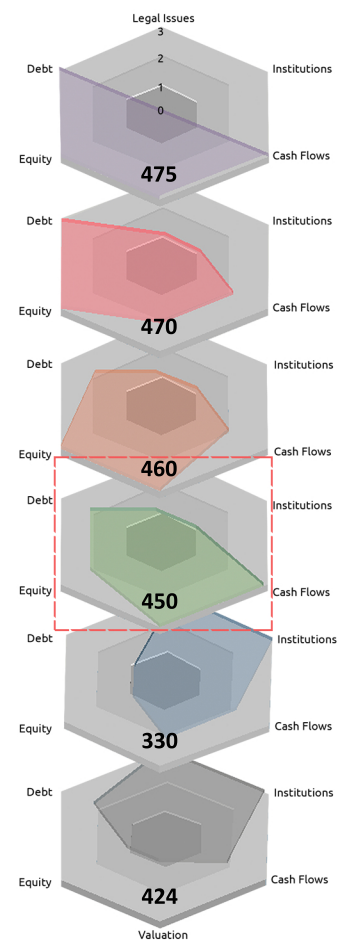**Enforced Prerequisite at Enrollment:**
RM 303
or
RM 330W

Credits:
3

Professor:
Dr. Eva Steiner

Key Metrics:

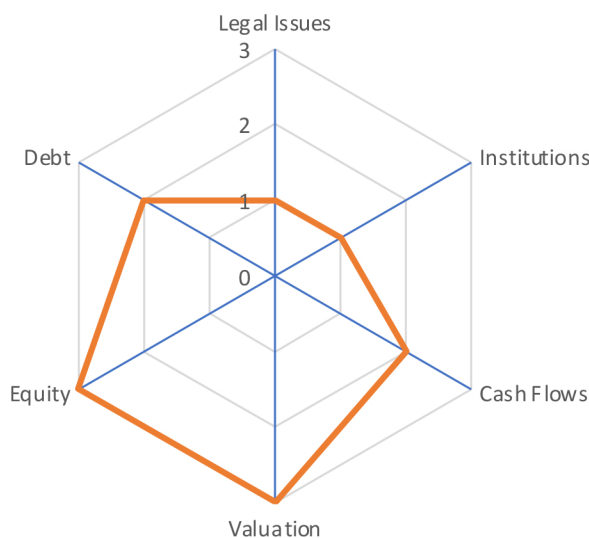Quantitative   Qualitative

Real Estate

460 - REAL ESTATE FINANCIAL ANALYSIS

Debt and equity financing, capital structure, "creative financing," risk analysis, corporate asset management. FIN (R M) 460 Real Estate Financial Analysis (3) The objective of this course is to provide in-depth coverage of real estate investment and financing decisions.

The focus is on the private market, including corporate asset management. Investment analysis moves from the basics of forecasting cash flows, through advanced topics including the impact of real option value on investment and development decisions. Risk measurement is given particular attention with a focus on sensitivity and simulation analysis. There is some coverage of asset pricing models like the Capital Asset Pricing Model, which is critically analyzed with respect to its applicability in real estate markets. The impact of illiquidity, management costs, and the suspicion of non-normally distributed returns are explored, as are the implications of relative market inefficiency.

The financing module begins with the basics of mortgage debt mathematics, which is then extended to include comparisons of various repayment programs. Included are interest-only, balloon, shared appreciation, growing equity, graduated payment and reverse annuity loans, as well as various creative financing of commercial properties.The latter include participating mortgages, convertible mortgages, and mezzanine debt. Featured in the corporate asset management section is the lease/buy decision. Other topics may be addresses based on current events. It is anticipated that guest speakers will be invited where appropriate.
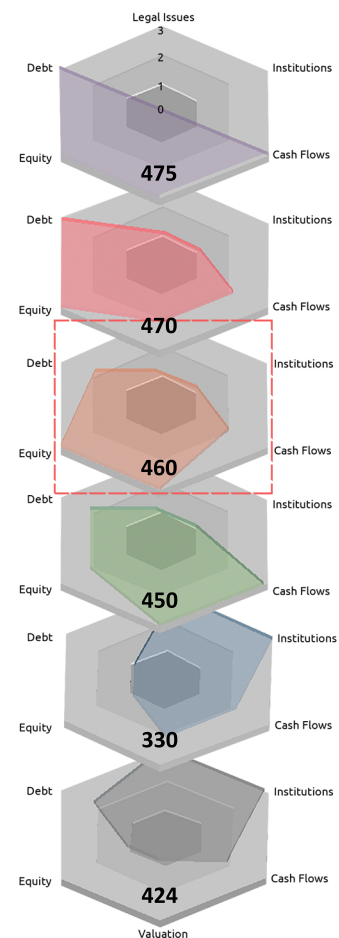
Course Information

Enforced Prerequisite at Enrollment:
FIN 305W
or
RM 303
or
RM 330W

Credits:
3

Professor:
Dr. Jiro Yoshida

Key Metrics:
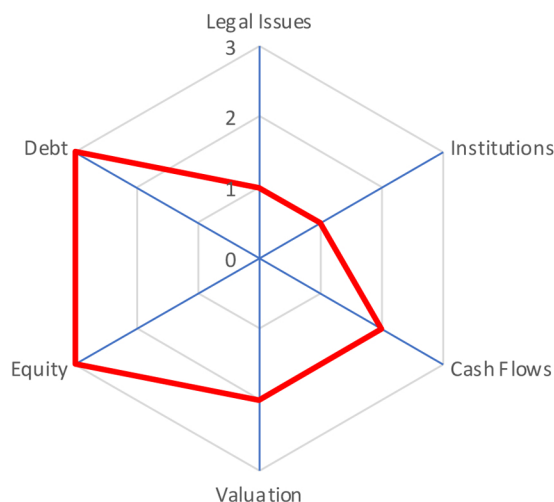

Quantitative   Qualitative

Real Estate

470 - REAL ESTATE CAPITAL MARKETS

Analysis of publicly-traded real estate of both the equity, (REITs) and debt (MBSs) sides. The course also provides international perspectives. FIN 470 / RM 470 Real Estate and Capital Markets (3) The objectives of this course are to expose the student and explore the issues associated with the analysis of "public" ("Wall Street") real estate, including both equities (such as Real Estate Investment Trusts or REITs) and debt vehicles (such as Mortgage-Backed Securities or MBSs). '

In addition, the course will focus on the increasingly globalization of real estate capital markets as the real estate sector becomes integrated into the global financial system. The differences between private and public real estate analysis will also be explored, including the suitability of traditional asset pricing models for real estate analysis. Topics include the growing impact of institutional real estate forces on the real estate sector, the use of modern financial economics methods to real estate including the concept of market efficiency, modern portfolio theory applications, market measures of risk and return, the use of option-based models, and other advances. The rise of Wall Street's interest in real estate securities is an important institutional development and serves as the underlying background for the analysis of MBSs using fixed-income security techniques. As globalization has spread, the real estate sector has moved with these changes and prospects for a global real estate market are examined and evaluated.

This course serves as a compliment to FIN 460, which emphasizes traditional financial analyses of individual real estate projects. In FIN 470, real estate securities are viewed as a natural extension towards the complete integration of real estate and capital markets. In this sense, these courses will enable traditional and modern analyses of the real estate sector for years to come.

Course Information

Enforced Prerequisite at Enrollment:
FIN 305W
or
RM 303
or
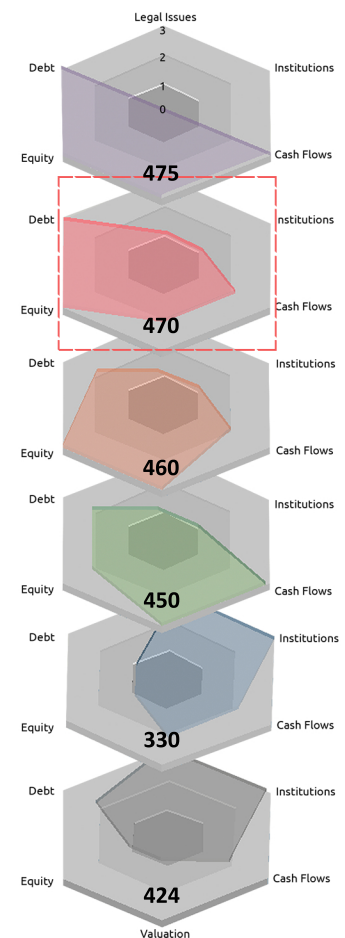RM 330W

Credits:
3

Professor:
Dr. Brent Ambrose

Key Metrics:

Real Estate

475 - QUANTITATIVE ANALYSIS FOR BUSINESS

The course provides students with working knowledge of some of the widely used quantitative methods and their applications in business, as well as using statistical analysis software to apply such methods for business analyses and decision-making.

By the end of the course, students will understand the purposes of these methods and how to use them to solve real estate, financial, marketing, and risk management problems.
(1) Students will be able to interpret results in ways that are correct, insightful, and useful.
(2) Students will be aware of potential problems of each method and know how to make corrections if these problems are present.
(3) Students will also have developed working knowledge of statistical analysis software widely used by quantitative analysts.
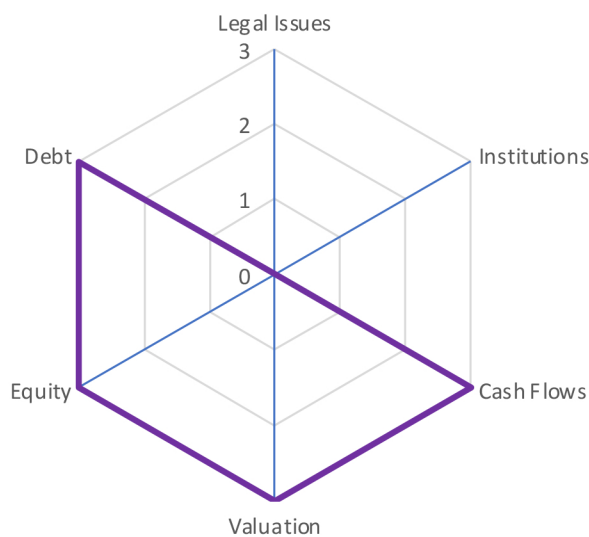
Course Information

Enforced Prerequisite at Enrollment:
SCM 200
or
STAT 200

Credits:
3

Professor:
Dr. Liang Peng

Key Metrics: