University of Houston
C.T. Bauer College of Business

Real Estate Market Analysis, Feasibility and Valuation
FINA 7397-05 section number is 05-LEC (24760)
Mondays, 6:00 PM to 9:00 PM-1/25/17 to 5/9/17
Melcher Hall #121

Mr. Scott Rando (office hours: by appointment) 713.398.1548
Scott.Rando@cushwake.com -use this email only as no UH/Bauer email accounts will be used by the instructor this semester.

General Info: This introductory course covers the fundamentals of market research in real estate and determination of project feasibility. Topics include:
- land economics,
- market demand forecasts,
- assessment of competitive conditions,
- determination of market risk and
- project absorption projections for residential, commercial and mixed use projects.

Course Objectives: Students will be able to:
- Conduct site evaluations and report findings
- Complete and Understand Highest and Best Use Analyses
- Research, analyze and report business district characteristics
- Collect, organize, and analyze data to evaluate market conditions and project marketability for institutional and non-institutional quality assets
- Forecast supply and demand for major property types (industrial, office, retail, residential, Hotel)
- Complete market analyses through an analyses of market dynamics; and, complete feasibility analyses (group collaboration project) to yield recommendations in a client deliverable format


CCIM course material: CI-102 Market Analysis for Commercial Investment Real Estate

Books are available in the bookstore, through ULI, or other book retailers.

Attendance and Participation: Attendance and in-person class participation are mandatory. Active class participation will increase your learning experience and will benefit others including the professor. If you miss more than two in-person classes, no credit will be awarded for in-class attendance or participation.
You are expected to come to class prepared to participate. This means that you have completed the assigned readings before class, plan to contribute, and will share your ideas when appropriate. Do your best!

**Blackboard:** The University of Houston’s Blackboard system will be an important communication link for students in this class. Announcements are posted and reflect schedule changes, articles and other resources needed to fully understand the topics discussed.

Students should use the “Discussions” to post any class material questions. This process allows the entire class community to benefit from these information exchanges, and will limit repetitive questioning from individual sources. I will also post articles on occasion and start discussions about them. Participation in these discussions is a part of your participation grade discussed above.

**Discussion Posts:** Critical thinking and writing are an important part of any graduate program. Businesses want individuals who can think and write well. To enhance your skills, you are required to post one to two pages (double spaced with one inch margins and no less than a 12 point font) as assigned below. The forum posts are required and due no later than the date listed in the schedule. The forum post must be completed and posted no later than 11:59 PM on the due date. All posts must be originally written for credit as listed below toward the final grade. Credit is only provided if a post is:

- Clearly written (spelling, grammar, and organization count);
- Links the class topic, guest lecture topic, case study, readings from the text or other sources, and/or the class discussion;
- The post should be reflective. Please explain what you learned or found most beneficial from the class – be constructive.

All students are required to respond to at least two response posts from other classmates for each assignment to earn full credit. (Remember, it is a discussion.)

Please adhere to the guidelines. Late postings receive no credit – no exceptions.

**Case Studies:** Case studies are used to convey the course concepts and reinforce the principles. The cases will vary in their degree of complexity. Case assignments are graded as discussed below. As required with forum posts, case assignments are for a group or as an individual assignment. In order to receive full credit for the case assignments, please follow the directions for each case when assigned. All work must be originally produced for this course either by the group or individually.
**Pop-quizzes:** Periodically, pop-quizzes are given in the beginning of class. Since class participation is required, quizzes cannot be made up. If you are absent from class, no credit will be given for the quiz.

**Projects:** Projects are a critical component to the course. It provides a simulated, real-world experience commonly found in the market. This is the type of work employers demand. It will offer you the opportunity to deepen your understanding of subject, the business, and develop necessary skills for practice. In order to receive full credit, students will be required to present projects in class.

**Co Star:** The instructor will apply for CoStar access, so each student has a unique username and password for the semester to complete projects. Within 7 days of receiving this information, you must sign in to verify access. If you fail to sign in and authenticate access, you will not have access to CoStar for the semester. It is a violation of the agreement between the University and CoStar to allow students to share an account. If you are caught sharing an account, access will be terminated by CoStar for the entire class. Please follow the rules outlined by CoStar and act promptly when you receive notice to access the system. Do NOT call the instructor to resolve this problem after the 7 day verification period has ended. If you have technical problems, call the help desk as listed in the email notification.

**Style Guide:** Please prepare all writing assignment in a word processing program. Before posting to forums or other electronic mediums, prepare the draft with a word processing program (double spaced, 12 point font with one inch margins). All documents must comply with formatting in accordance with MLA or APA guidelines presented in the respective style guide. Feel free to use either style guide. It is good practice to stick to one guide through the semester.

When preparing financials, please use Microsoft Excel or another spreadsheet program. Spreadsheets can be inserted into word processing documents for submission. Also see [http://office.microsoft.com/en-us/word-help/link-or-embed-an-excel-worksheet-HA010120810.aspx](http://office.microsoft.com/en-us/word-help/link-or-embed-an-excel-worksheet-HA010120810.aspx) for additional assistance.

All submissions should be free of spelling and grammar errors, well organized, and easy to follow.
Grading: The course assignments and participation points are as follows:

- In-class attendance and participation: 05 points (graded/credit)
- Pop-quizzes: 10 points (graded/credit)
- Case studies: 05 points (graded/credit)
- Midterm Exam: 20 points (graded/credit)
- Course projects: 40 points (graded/credit)
  - I: 05 points (graded/credit)
  - II: 10 points (graded/credit)
  - III: 25 points (graded/credit)
- Final Exam: 20 points (graded/credit)
- Total points: 100

The total points earned will translate into the following letter grades for the course:

- 93 – 100 = A
- 90 – 92 = A-
- 87 – 89 = B+
- 83 – 86 = B
- 80 – 82 = B-
- 77 – 79 = C+
- 73 – 76 = C
- 70 – 72 = C-
- 60 – 69 = D
Schedule—case studies and quizzes will be announced during the course.

<table>
<thead>
<tr>
<th>Week</th>
<th>Rough Date</th>
<th>Reading Assignment by Chapter</th>
<th>Topic/Notes</th>
<th>Assignment</th>
<th>Tentative Guest Lecturer</th>
<th>For</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>1/25</td>
<td></td>
<td></td>
<td>Project I</td>
<td>Co-star or other research resource speaker</td>
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<td>2</td>
<td>2/1</td>
<td>1, 2 &amp; pgs. 250-255</td>
<td>Valuations- 3 approaches to value And Feasibility</td>
<td>Project I –Class Discussion</td>
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<tr>
<td>3</td>
<td>2/8</td>
<td>1, 2 &amp; pgs. 250-255</td>
<td>Introduction to Real Estate Analysis, Types of Studies, Market studies and data. Project I Presentations</td>
<td>Project I report due. Presentation of Project I.</td>
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<tr>
<td>4</td>
<td>2/15</td>
<td>3 &amp; pgs. 256-262</td>
<td>Local Economy, Defining the Market, Analysis of the Subject Property, Location &amp; Site Analysis. Industrial and Office Analysis</td>
<td>Project II discussion</td>
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<td>5</td>
<td>2/22</td>
<td>4/6</td>
<td>Industrial and Office Analysis</td>
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<td>6</td>
<td>2/29</td>
<td>4</td>
<td>Residential Analysis</td>
<td>Hines- Held at Development Site</td>
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<td>7</td>
<td>3/7</td>
<td>4-6</td>
<td>Industrial and Office Analysis</td>
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<td>8</td>
<td>3/14</td>
<td>Spring Break</td>
<td>No class</td>
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<td>9</td>
<td>3/21</td>
<td>7</td>
<td>Retail Analysis Midterm Exam</td>
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<td>10</td>
<td>3/28</td>
<td>8</td>
<td>Office and Mixed-use Analysis</td>
<td>Ed Wulfe Tim Relyea Class Held at BLVD Place &amp; at Cushman Office in Uptown</td>
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<td>11</td>
<td>4/4</td>
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<td>Finish retail Hotel Analysis Project II report due.</td>
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<td></td>
<td>Project II Presentations and Project III Discussion Finish Hotel Analysis</td>
<td>Presentation of Project II.</td>
<td>PKF Consulting USA</td>
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<tr>
<td>12</td>
<td>4/11</td>
<td>Project II Presentations and Project III Discussion Finish Hotel Analysis</td>
<td>Presentation of Project II.</td>
<td>PKF Consulting USA</td>
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<tr>
<td>13</td>
<td>4/18</td>
<td>Review, wrap up Discuss Project III</td>
<td>Project III discussion</td>
<td>Project III discussion</td>
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<tr>
<td>14</td>
<td>4/25</td>
<td>Review, wrap up Final Exam distributed</td>
<td>Project III report due. Presentation of Project III.</td>
<td>Project III report due. Presentation of Project III.</td>
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<td>15</td>
<td>5/2</td>
<td>Final Exam Due</td>
<td>Final Exam Due</td>
<td>Final Exam Due</td>
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Note: The schedule is subject to change.

**PeopleSoft:** The University of Houston’s PeopleSoft system will be an important communication link for this class. I endeavor to use this system to send class-wide and individual e-mails. Please be sure your e-mail address is updated.

**Academic Honesty:** The University of Houston Academic Honesty Policy is strictly enforced by the C. T. Bauer College of Business. No violations of this policy, such as plagiarism or cheating, will be tolerated in this course. A discussion of the policy is included in the University of Houston Student Handbook, [http://www.uh.edu/dos/hdbk/acad/achonpol.html](http://www.uh.edu/dos/hdbk/acad/achonpol.html). Students are expected to be familiar with this policy.

Students are expected to produce original work in the course. Previous course-work from other classes cannot be submitted for credit in this course for any class assignment or project. At the instructor’s discretion, work will be submitted to Turn It In.
Accommodations for Students with Disabilities:

The C. T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. To this end, in order to receive academic accommodations, students must register with the Center for Students with Disabilities (CSD) (telephone 713-743-5400), and present approved accommodation documentation to their instructors in a timely manner.

Supplemental texts & Suggested Readings:


CCIM (2011) CI 102 – Market Analysis for Commercial Investment Real Estate