

**Instructor: Daniel Wright**

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Classes: TH 5:30-8:15PM, virtual

Office Hours: By appointment

**Co-Instructor: John Ockerbloom**

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**Course Description**

The Student Managed Real Estate Investment Fund is a two-semester sequence of courses that allows a select group of MS Real Estate students to manage an actual real estate private equity portfolio. It is made possible by a generous gift from a donor to the CKCRE and with the cooperation of the Foundation for UNC Charlotte. The student fund managers are responsible for the following:

- Identifying potential investment opportunities for the fund;
- Analyzing potential fund investments and making recommendations to the UNC Charlotte Foundation and the Advisory Board of the Childress Klein Center for Real Estate as to whether to make the investment;
- Continuously evaluating the holdings of the fund and potential disposition of fund holdings;
- Presenting to the Childress Klein Center for Real Estate Advisory Board semi-annual updates on the performance of the fund's holdings. This includes:
  - Marking to market all holdings of the fund, and
  - Determining and presenting the aggregate risk metrics for the fund to the Advisory Board

**A Note on Timing and Class Responsibilities**

Real Estate investment opportunities arise at uncertain times. When an investment opportunity does arise, the course will focus on that opportunity intensely until an investment decision is made. This will likely involve significant out-of- class work and analysis. We will adjust the timing of all other aspects of the class. Although we provide a tentative schedule of class dates and topics, please be advised that this schedule will change as investment opportunities arise.

Please also be aware that when an investment opportunity is presented to the CKCRE Advisory Board, it will likely be made outside the normal class time. SMREIF members are required to attend these presentations and we will then adjust future class meeting times.

**Grading**

Grading for the will be based on the following activities:

- 1) Deal procurement (Investment Teams): For each of the first eight weeks of the course, each student on an Investment team must either (1) contact at least two individuals to ask about potential investment opportunities or (2) bring a possible investment to the class.

Board Presentation (Management Team): The management team will be graded on the quality of the presentation given at the CKCRE Board of Directors mid-semester.

- 2) Topic Presentation: Each team member must prepare a 5-10 minute presentation on four of the topics listed in the Schedule. Each team will have one team member present on the chosen topic each week. These presentations will be given at the beginning of each class. The presentations will be reviewed based on the amount of time taken, usefulness of the information, uniqueness of the insights, applicability of the content, and quality of the presentation. Once all of the presentations are given, all students will submit a rank of 1<sup>st</sup>, 2<sup>nd</sup>, or 3<sup>rd</sup> based on the quality of the individual presentations. 1<sup>st</sup> place will receive 10%, 2<sup>nd</sup> place will receive 9%, and 3<sup>rd</sup> place will receive 8%. In the rare instance that the presentations are of low quality, students can recommend lower scores. These scores will be emailed to the professor immediately following the presentations. These will be team scores that will add up to a final team grade at the end of the semester. The intent is to provide a competitive environment and increase the quality of insight.

The idea to keep in mind is that we are seeking the Path of Growth (Centers, Connections, Conversations, Customers, and Capital). We want to understand where and what can we invest in such that the value capture compensates for the price and risk? Where should we be? What tenant do we want? What should we pay? How much return should we expect?

- 3) Final Presentation (Investment Teams): Each team will have at least one presentation to give through the semester. This grade also captures the quality of the work and the participation leading up to the presentation.

Board Report (Management Team): The Management Team will prepare a semi-annual report to be distributed to Belk College of Business administration and the CKCRE Board of Directors.

- 4) Attendance: 7% is allotted to each class. A student may miss one class, with good reason, and not receive a deduction. Thereafter, each absence will result in a negative 7% deduction from the grade. After two such absences the student will be at a B-grade, after three such absences the student will be at a C-grade and likely will not be able to participate in a future SMREIF course (if applicable).

**Grading**

Investment Teams

|                                |             |
|--------------------------------|-------------|
| 2 investors or 1 deal (5% x 8) | 40%         |
| Topic Discussion (10% x 3)     | 30%         |
| Final Presentation             | 30%         |
| <u>Attendance (x -7)</u>       | <u>0%</u>   |
| <b>Total:</b>                  | <b>100%</b> |

| Total %     | Grade |
|-------------|-------|
| 90.00-100   | A     |
| 80.00-89.99 | B     |
| 70.00-79.99 | C     |
| Below 70.00 | U     |

Management Team

|                            |             |
|----------------------------|-------------|
| Board Presentation         | 35%         |
| Topic Discussion (10% x 3) | 30%         |
| Board Report               | 35%         |
| <u>Attendance (x -7)</u>   | <u>0%</u>   |
| <b>Total:</b>              | <b>100%</b> |

## **Code of Conduct**

Regular attendance, promptness, and appropriate classroom decorum are expected. Excessive absenteeism, frequent tardiness, or disruptive classroom behavior may result in substantial reductions in the student's grade.

Academic dishonesty is not tolerated by the Belk College of Business or the instructor. All students in this class must comply at all times with University policies on academic integrity. Any student violating these policies, as defined in the Graduate Catalog, will be referred to the University administration for disciplinary action. Sanctions for academic dishonesty include, but are not limited to, receipt of a U in this course, suspension, or expulsion from the University. Policies and procedures related to academic dishonesty can be found in your copy of UNCC's Academic Integrity Code

Please note that students that are in this course may have access to private and highly confidential information relating to prospective investments. Students are expected to maintain the confidentiality of any information shared with them or the university. Students may be required by the UNC Charlotte or the UNC Charlotte foundation to sign a non-disclosure agreement prohibiting the release of proprietary data provided to the university by prospective deal sponsors.

## **About this Syllabus**

This syllabus is the class contract. It clearly states the requirements this class places on both instructor and student, and the instructor will not change the conditions of this contract during the class, though minor adjustments may be made to the course outline below. This is done to insure fairness and consistency among all members of the class. By staying in this class the student accepts the conditions of this contract and agrees not to ask the instructor for exceptions to the syllabus.

## **Diversity**

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

## **Disability Services**

If you have a disability that qualifies you for academic accommodations, please provide a letter of accommodation from Disability Services (phone 704-687-4355, 230 Fretwell Building) at the beginning of the semester.

## **Title IX Reporting Obligations**

UNC Charlotte is committed to providing an environment free of all forms of discrimination and sexual harassment, including sexual assault, domestic violence, dating violence, and stalking. If you (or someone you know) has experienced or experiences any of these incidents, know that you are not alone. UNC Charlotte has staff members trained to support you in navigating campus life, accessing health and counseling services, providing academic and housing accommodations, helping with legal protective orders, and more.

Please be aware that many UNC Charlotte employees, including all faculty members, are considered Responsible Employees who are required to relay any information or reports of sexual misconduct they receive to the Title IX Coordinator. **This means that if you tell me about a situation involving sexual harassment, sexual assault, dating violence, domestic violence, or stalking, I must report the information to the Title IX Coordinator.** Although I have to report the situation, you will still have options about how your case will be handled, including whether or not you wish to pursue a formal complaint. Our goal is to make sure you are aware of the range of options available to you and have access to the resources you need.

If you wish to speak to someone confidentially, you can contact any of the following on-campus resources, who are not required to report the incident to the Title IX Coordinator: (1) University Counseling Center (counselingcenter.uncc.edu, 7-0311); (2) Student Health Center (studenthealth.uncc.edu, 7-7400); or (3) Center for Wellness Promotion (wellness.uncc.edu, 7-7407). Additional information about your options is also available at titleix.uncc.edu under the "Students" tab.

### Course Schedule

The course schedule is a Google Sheet on the shared Google Drive. Due to the nature of this course, it is tentative and will be updated regularly.

| Date | Prior to Class<br>(Investment Teams) | 5:30-6:00   Topic              | 6:00-6:45  <br>Management Team             | 6:45-7:30  <br>Investment Team 1 | 7:30-8:15  <br>Investment Team 2 |
|------|--------------------------------------|--------------------------------|--|----------------------------------|----------------------------------|
|      |                                      |                                | Morgan, Sarah,<br>Cameron                  | Alejandro, Trey,<br>Josh Z.      | Megan, Josh,<br>Andrew           |
| 1/21 |                                      |                                |  |                                  |                                  |
| 1/28 | 2 investors or 1 deal                | Physical   Submarket           |  |                                  |                                  |
| 2/4  | 2 investors or 1 deal                | Physical  <br>Neighborhood     |  |                                  |                                  |
| 2/11 |                                      |                                | BREAK - NO CLASS                           |                                  |                                  |
| 2/18 | 2 investors or 1 deal                | Physical   Site                |  |                                  |                                  |
| 2/25 | 2 investors or 1 deal                | Market   NOI                   |  |                                  |                                  |
| 3/4  | 2 investors or 1 deal                | Market   Supply                |  |                                  |                                  |
| 3/11 | 2 investors or 1 deal                | Market   Demand                |  |                                  |                                  |
| 3/18 | 2 investors or 1 deal                | Financial   Returns            |  |                                  |                                  |
| 3/25 | 2 investors or 1 deal                | Financial   Risks              |  |                                  |                                  |
| 4/1  |                                      | Financial   Economic<br>Trends |  |                                  |                                  |
| 4/8  |                                      | Stakeholder   Sponsor          |  |                                  |                                  |
| 4/15 |                                      | Stakeholder   Tenant           |  |                                  |                                  |
| 4/22 |                                      | Stakeholder  <br>Customer      |  |                                  |                                  |
| 4/29 |                                      |                                | Year-end Alumni/Board Mixer, Presentations |                                  |                                  |
| 5/6  |                                      |                                | Reading Day                                |                                  |                                  |