



Course: Financial Analysis of Real Estate Investments

Section: MSRE 6220

Semester: Spring 2021

Instructors: Scott Coblentz
704-334-3212
scoblent@uncc.edu

Dr. Kiplan S. Womack
Office: Friday 147B
704.687.7584
kwomack4@uncc.edu

Class Info: Tuesday 5:30 pm - 8:15 pm (online)
Womack class: 5:30pm – 6:45pm
Coblentz class: 7:00pm – 8:15pm

Office Hours: Tuesday 5:00pm-5:30pm (online), or by appointment

Course Description

Provides students with the analytical and computer skills necessary to evaluate the financial feasibility of real estate investment opportunities, including acquisition and development opportunities for land, commercial, industrial, or multi-family deals. Accounting and taxation issues influencing the financial viability of real estate investment opportunities are also considered.

Course Objectives and Learning Goals:

- Understand complexities of valuing and analyzing the financial aspects for various types of development projects, including land.
- Develop modeling skills needed to analyze development projects.
- Understand the role and structure of the real estate capital markets in financing real estate development projects. Develop an in-depth knowledge of deal structuring and debt underwriting for development projects.

- Identify and pinpoint risk exposures during the development process as a problem to be solved with a risk management solution.

Course Methodology

Class sessions will be primarily composed of lectures (with substantial participation and discussion expected from students) and hands-on financial modeling of case studies in Excel. Outside speakers, group activities, and other exercises may also be utilized to reinforce and apply key concepts. Assessments will be designed in such a way as to measure student knowledge of content.

Course Materials

- Laptop/tablet that runs Microsoft Excel
- Assignments, cases, additional readings, and other resources will be posted in Canvas. Students are expected to check the website often for current postings.

Course Prerequisites

MSRE 6158 or MSRE 6159 with a minimum grade of C

Course Grading

The components that make up the grading in this course are listed below:

<u>Component</u>	<u>Weight</u>
Coblentz Assignments	50%
Womack Quizzes/Assignments	50%
Attendance/Participation	see below

Late assignments will be penalized 25% of the possible points for each day late. Make up assignments/exams will not be given. Best efforts are made to grade and give back assignments/exams to students at the next class meeting. Any challenges to the grade received must be made in writing (via email) within 2 weeks from receipt of the grade. After this time period no grade changes will be considered or allowed.

Attendance & Participation

(This section only applies to live class sessions. Activities such as optional Canvas Chats or optional Zoom meetings do not require attendance/participation). Attendance will be recorded each class. Attendance means that the student was present and actively participating for the whole class. If you miss a class, it is your sole responsibility to get notes, files, and etc. from another student.

Activities that distract other students or the instructors, disrupt the flow/quality of discussion, or in other ways reduce the effectiveness of the course will be considered negative participation. Negative participation can result in a reduction to your attendance/participation grade.

Grading Scale

A	90 – 100
B	80 – 89
C	70 – 79
U	< 70

Code of Conduct

Academic dishonesty is not tolerated by the Belk College of Business or this professor. Standards of academic integrity will be enforced in this course. All students have the responsibility to read and abide by The UNC Charlotte Code of Student Academic Integrity. This Code forbids cheating, fabrication or falsification of information, multiple submissions of academic work, plagiarism, abuse of academic materials (such as Library books on reserve), and complicity in academic dishonesty (helping others to violate the Code). Students observing violations of the Code are expected to report this to the professor. If you do not have a copy of the Code, you can obtain one from the Dean of Students Office or access it online at <http://www.legal.uncc.edu/policies/ps-105.html>. Violations of the Code of Student Academic Integrity, including plagiarism, will result in disciplinary action as provided in the Code. Definitions and examples of plagiarism are set forth in the Code. The professor may ask students to produce identification at examinations and may require students to demonstrate that graded assignments completed outside of class are their own work.

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.

Disabilities

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) in the beginning of the semester.

Syllabus Changes

The standards and requirements set forth in this syllabus may be modified at any time. Notice of such changes will be by announcement in class, by email, or by changes to this syllabus posted on the course website.

Course Plan

A tentative course plan for the semester is attached. Changes may be made to this plan pursuant to the previous section.

Policies Related to COVID-19

It is the policy of UNC Charlotte that all students are required to engage in safe behaviors to avoid the spread of COVID-19 in the 49er community. Such behaviors specifically include the requirement that all students properly wear [CDC-compliant face coverings](#) while in buildings including in classrooms and labs. Students are permitted to remove face coverings in classroom or lab settings only when I explicitly grant permission to do so (such as while asking a question, participating in class discussion, or giving a presentation) and while at an appropriate physical distance from others. Failure to comply with this policy in the classroom or lab may result in dismissal from the current class session. If the student refuses to leave the classroom or lab after being dismissed, the student may be referred to the Office of Student Conduct and Academic Integrity for charges under the [Code of Student Responsibility](#). Students are expected to attend every class and remain in class for the duration of the session when it is safe to do so in accordance with university guidance regarding COVID-19. Failure to attend class or arriving late may impact your ability to achieve course objectives which could affect your course grade. An absence, excused or unexcused, does not relieve a student of any course requirement. Regular class attendance is a student's obligation, as is a responsibility for all the work of class meetings, including tests and written tasks. Any unexcused absence or excessive tardiness may result in a loss of participation points.

Students are encouraged to work directly with their instructors regarding their absence(s). For absences related to COVID-19, please adhere to the following:

- Complete your [Niner Health Check](#) each morning.
- Do not come to class if you are sick. Please protect your health and the health of others by staying home. Contact your healthcare provider if you believe you are ill.
- If you are sick: If you test positive or are evaluated by a healthcare provider for [symptoms of COVID-19](#), indicate so on your [Niner Health Check](#) to alert the University. Representatives from Emergency Management and/or the Student Health Center will follow up with you as necessary. Submit a copy of your Niner Health Check notification email to your instructors.
- If you have been exposed to COVID-19 positive individuals and/or have been notified to self-quarantine due to exposure, indicate so on your Niner Health Check to alert the University. Representatives from Emergency Management and/or the Student Health Center will follow up with you as necessary. Submit a copy of your Niner Health Check notification email to your instructors.

To return to class after being absent due to a period of self-quarantine, students should submit a copy of their Niner Health Check clearance email to their instructors. To return to class after being absent due to a COVID-19 diagnosis, students should submit an [online request form](#) to Student Assistance and Support Services (SASS). Supporting documentation can be attached directly to the request form and should be from a student's health care provider or the Student Health Center, clearly indicating the dates of absences and the date the student is able to return to class. Instructors will be notified of such absences.

If you are absent from class as a result of a COVID-19 diagnosis or quarantine, your instructors will help you continue to make progress in the course on a case-by-case basis. The final decision for approval of all absences and missed work is determined by the instructors.

TENTATIVE COURSE PLAN (SUBJECT TO CHANGE)

Topic

Week 1	1/26	Introduction (<i>Womack & Coblentz</i>) Basic Excel Definitions and Recommendations (<i>Womack</i>) Modeling Concepts, Best Practices (<i>Coblentz</i>)
Week 2	2/2	Pivot Tables (<i>Womack</i>) Introductory Stabilized Office Model (<i>Coblentz</i>)
Week 3	2/9	Spring Break
Week 4	2/16	Pivot Table Project (<i>Womack</i>) Value Add Case (<i>Coblentz</i>)
Week 5	2/23	Price Indices (<i>Womack</i>) Continue Value Add Case / For Rent Case Intro (<i>Coblentz</i>)
Week 6	3/2	Price Indices Project (<i>Womack</i>) For Rent Case (<i>Coblentz</i>)
Week 7	3/9	Hedonic Models (<i>Womack</i>) For Sale Development Case (<i>Coblentz</i>)
Week 8	3/16	Hedonic Models Project (<i>Womack</i>) For Sale Development Case - Continued (<i>Coblentz</i>)
Week 9	3/23	Constructing Your Own Price Index (<i>Womack</i>) Office Portfolio Case (<i>Coblentz</i>)
Week 10	3/30	Constructing Your Own Price Index Project (<i>Womack</i>) Office Portfolio Case - Continued (<i>Coblentz</i>)
Week 11	4/6	Monte Carlo Simulation (<i>Womack</i>) TBD (<i>Coblentz</i>)
Week 12	4/13	Monte Carlo Simulation Project (<i>Womack</i>) Joint Venture Lecture and Case (<i>Coblentz</i>)
Week 13	4/20	TBD (<i>Womack</i>) TBD (<i>Coblentz</i>)
Week 14	4/27	Introduction of Final Project - (<i>Womack</i>) Introduction of Final Project - (<i>Coblentz</i>)
Week 15	5/4	Final Project Due (<i>Womack</i>) Final Project Presentations (<i>Coblentz</i>)