Course outline: This course will serve as a basic introduction to real estate finance development and investment. The commercial real estate market will be the focus of the class but the residential market will be discussed as well. The course will not require students to have any prior experience in real estate. Upon completion, students will have a working knowledge of the real estate industry, cash flow projections, financing and development. Case studies will be utilized to apply lecture/textbooks concepts to real world applications.

Conduct code: Each student is responsible for knowing and adhering to the UC Davis code of conduct. Any student with questions regarding the code should contact the GSM administration. Any violation of the code will be dealt with appropriately.

Laptop policy: Use of laptops and other electronic devices is acceptable as long as such use does not bother other students or disrupt the learning environment.

Textbooks and Course Materials:
2. Hewlett Packard 10bII Financial Calculator, available from Amazon.com or hp.com. This is optional but a financial calculator that can perform PV/FV/NPV/IRR/AMORTIZATION functions will be needed for the course. Instruction on the 10bII will be included as part of this course.
3. Case studies and additional readings available on study.net
4. Lecture notes will be posted to the class website.

COURSE REQUIREMENTS
1. Exams: There will be one, in-class, closed book/notes midterm exam and one, take-home, closed book/notes final.
2. Class Participation: Students will be expected to have reviewed the cases and class readings prior to class and be prepared to discuss them.
3. Case Studies: Cases will be used to introduce and explore many of the concepts introduced in the class. Students will form groups of 3-4 members and will turn in an analysis of the Shady Trail and 503 Cricket Road cases (included in textpak). Each analysis will be a minimum of three pages, double spaced in addition to a 1-2 page financial pro-forma based on the lessons taught in class. More detail will be provided in class.
5. Grading:

   Class Participation 10% (group evaluations will factor into this grade as well)
   In-class Midterm Exam 25%
   Case Studies 30% (15% each)
   Take Home Final Exam 35%
CLASS 1 - 6/22/13, morning - House-keeping, instructor background, Real Estate Law Intro, NPV/IRR review, 10bII calculator review, leases, the basis of real estate value, lease terminology, leasing process
Reading: Chapter 1, 3, 9

CLASS 1 - 6/22/13, afternoon - Income Producing Assets, Investing in Real Estate
Reading: Chapter 10, 11 (skip pages 296-298 – Mortgage Equity Capitalization)

CLASS 2 - 7/6/13, morning - Fixed/variable rate debt instruments,
Reading: Chapter 2, (pages 16-25), 4, 5

CLASS 2 - 7/6/13, afternoon - Additional concepts, financing Commercial Real Estate,
Reading: Chapter 6, 12, pgs 435/436 (market leasing assumptions)

CLASS 3 – 7/20/13, morning - Mid-Term
Reading: NA

CLASS 3 – 7/20/13, afternoon - Land Development, Project Development
Reading: Chapter 17 (pgs 545-555), 16

CLASS 4 – 8/3/13, morning Mid-Term Debrief, Dispositions
Reading: Chapter 14

Case Study Due: 503 Cricket Road

CLASS 4 – 8/3/13, afternoon - Financing Residential Properties, CMOs, Credit Default Swaps, Pass-Through Securities
Video: 60 Minutes story on CDS
Reading: Chapter 8, 19, 20, Wall Street Journal Article (Textpack)- Wall Street Wizardry Amplified Credit Crisis,

CLASS 5 –8/17/13, morning - Real Estate Law, Bankruptcy, Loan Workouts, Foreclosure, Financing Corporate Real Estate,
Reading: Chapter 2, (pgs 26-39), 15

CLASS 5 – 8/17/13, afternoon - Final Review, Structuring Real Estate Investments: Organizational Forms and Joint Ventures
Reading: Chapter 18

CLASS 6 – Take-home final exam