MGP 276, Real Estate Finance and Investments.

Time: Tuesday & Thursday, 6-9PM (Class does not meet July 8 & 10. Make-up sessions have been scheduled for Friday, July 11 from 2-5:00 pm and 6-9:00 pm.)
Location: OCM 2
Instructor: Todd Mirell, Vice President, Union Bank of California
Phone: 916-321-6708 (Office)
Office Hours: By appointment
Email: Todd.Mirell@uboc.com (Please include MGP 276 in all subject lines for filtering purposes)

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 covered 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. Additionally, guest speakers will present timely and focused information on specific segments of the course.

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. However, NO laptops or other electronic device use will be permitted when guest speakers are present.

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 handed out in class or posted to the class website.

COURSE REQUIREMENTS
1. Exams: There will be one, in-class, closed book/notes midterm exam and one, in-class, 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. Additionally, participation with guest speakers is a critical part of the class participation grade. The guest speakers are highly skilled experts in the real estate industry and their time is valuable. Students are expected to pay close attention during these presentations and to pose thoughtful questions afterwards.
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.
4. Course Pre-requisite: Completion of the core finance course, Financial Theory and Policy, MGP/MGT 205.
5. Grading:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Participation</td>
<td>20%</td>
</tr>
<tr>
<td>In-class Midterm Exam</td>
<td>25%</td>
</tr>
<tr>
<td>Case Studies</td>
<td>20% (10% each)</td>
</tr>
<tr>
<td>In-class Final Exam</td>
<td>35%</td>
</tr>
</tbody>
</table>
SCHEDULE, LECTURE TOPICS, READING

Class 1, 6/17
Topics: FIRST HALF: House-keeping, instructor background, real estate introduction, industry players and roles, NPV/IRR review, 10bII calculator review
SECOND HALF: Leases, the basis of real estate value, lease terminology, leasing process
Reading: REF&I – Chapter 1,3,9 HBR – Before You Sign That Lease

Class 2, 6/19
Topics: FIRST HALF: Income Producing Assets, Investing in Real Estate,
SECOND HALF: fixed/variable rate debt instruments
Reading: REF&I – 4, 5, 10 (skip pages 296-298 – Mortgage Equity Capitalization), 11

Class 3, 6/24
Topics: FIRST HALF: Guest Speaker: Randy Getz, Senior Vice President To Discuss – Investment Sales, Property Tax Appeals
SECOND HALF: Financing Commercial Real Estate
Reading: REF&I - Chapter 2, (pgs 15-24), 12, HBR - Financial Analysis of Real Property Investments

Class 4, 6/26
Topics: FIRST HALF: Land Development
SECOND HALF: Project Development
Reading: REF&I – Chapter 16, 17

Case Study Due: 503 Cricket Road

Class 5, 7/1
Topics: FIRST HALF: Guest Speaker: Ted Messner, Partner, Evergreen Company – To Discuss – Land Acquisition, Project development
SECOND HALF: Guest Speaker: Adam Nelson, Vice President, CBRE, To Discuss – Leasing.
Reading: None

Class 6, 7/3
Topics: FIRST HALF: Dispositions
SECOND HALF: Mid-Term
Reading: REF&I – Chapter 14
Class 7, 7/11 – 2PM

Topics: FIRST HALF: Real Estate Law, Bankruptcy, Loan Workouts
SECOND HALF: Secondary Mortgage Market I, Pass-Through Market

Class 8, 7/11 – 6PM

Topics: FIRST HALF: Secondary Mortgage Market II, CMOs, REITS
SECOND HALF: Argus, Derivatives/Swaps
Reading: REF&I – Chapter 20, 21, Derivatives Hand Out

Class 9, 7/15

Topics: FIRST HALF: Guest Speaker: TBD – To Discuss – Residential Development
SECOND HALF: Corporate Real Estate Decision Making
Reading: REF&I – Chapter 6, 7, 15
Case Study Due – Shady Trail

Class 10, 7/17

Topics: FIRST HALF: Guest Speakers:
Michelle Azevedo, Senior Development Manager/LEED Accredited Professional, Panattoni Development Company and Kirk Khasigian, Development Manager, Panattoni Development Company - To Discuss –Building Green.
SECOND HALF: Partnerships, Final Review

Class 11, 7/22

Final Exam