SYLLABUS
BUS 323 FUNDAMENTALS OF REAL ESTATE

Instructor: Richard M. Levy, M.Arch, PhD, MCIP

Office Location: Sakai

Email: richard_levy@uri.edu

Office Hours: TBA

Class Days/Time: Each week will run from Monday to Sunday (10 Week Duration)

Classroom: Online

Prerequisites: Students should have ECN 201 or EEC 105, and junior standing in a degree granting college.

Required Readings: See required readings

Course Calendar Description
Analysis of real estate principles. An examination of land utilization, valuation, financing techniques, urban development, property rights, markets, and government regulation. (Lec. 3) Pre: ECN 201 or EEC 105, and junior standing in a degree granting college.

Course Goals
The course provides an introduction to real estate with a focus on economics, law, finance, urban design, development, marketing and planning. The course will begin by considering market dynamics. Specific attention will focus on techniques for estimating the supply and demand for residential, commercial and industrial development. Discussion will also include highest and best use. Finance is a critical factor in the success of any real estate development project. Students will have an opportunity in this course to understand how pro formas are used to evaluate real estate development projects. In the process of developing financial projections for a proposed project students will be introduced to the fundamentals of financial analysis including debt financing, taxation and risk management. Marketing is important to any successful real estate venture. Students will learn how-to use demographic and economic data to gauge the potential success of a development projects. This course will also examine real estate development from a legal perspective. Another goal of this course is to introduce students to the importance of physical design to the success of a real estate venture. A goal of this discussion is to understand the role design and construction can play in arriving at an architectural solution.
**Teaching Approach**

In this course each topic area is presented through the use of video lectures given by the course instructor. Videos, exercises, quizzes and exams will be an important part of the course learning experience.

**Student Learning Outcomes**

Upon successful completion of this course, each student will be familiar with factors that impact the development of real estate including:

1. Appreciate the role historical development has on the future development of cities.
2. Understand Michael Porter’s framework for the “competitive advantage” of cities.
3. Understand that real estate development is a complex process involving numerous players including, developers, bankers, financial managers, investors, architects, engineers, contractors, community interest groups and a host of government agencies and departments at the local state and federal government.
4. Explore how macro-economic models can be used to help predict the demand and supply for new development. Consider how leading economic indicators can aid in forecasting future demand and supply for residential, commercial and retail space.
5. Understand the role that the risk reward function plays in the choice and preference of investors. Use “Sharpe Ratio” as a tool in analyzing the performance of investment portfolios. Gain an appreciation for the role of local markets as a determinant of capitalization rates and borrowing rates.
6. Calculate net operating income, debt to equity ratio, current ratio, cash on cash, before and after tax rates of return on equity. Understand the role of capitalization rates, net present value (NPV) and internal rate of return (IRR) in evaluating financial projections.
7. Understand how the forms of business ownership impact liability, taxation and the ability to raise capital.
8. Use cohort analysis to predict population change. Use these estimates to determine the demand for housing. Examine the underlying assumptions in population projections.
9. Appreciate how residual demand calculations are made for new development. Examine the underlying assumptions in making estimates of residual demand.
10. Explore how spatial analysis and land use modeling techniques can be used to predict land prices and the most likely location for new development within a metropolitan area. Examine how gravity models have been used to examine consumer preference in retail markets in the US.
11. Understand how marketing plans are based on estimates of residual demand for a proposed development project.
12. Compare methods of appraising a property. Three methods will be examined in detail: comparables, income method, replacement value.
13. Consider approaches using NPV and IRR for determining “highest and best use” for a property.
14. Examine the role risk management plays throughout the development process.
15. Appreciate the role of the law in real estate development
17. Understand the role of brokers and agents in the real estate market.
18. Appreciate the role urban design can have on development projects. As part of this discussion, critical issues which shape the design solutions for commercial and residential development will be presented including: adjacent use, public transportation, pedestrian access, massing, FAR (floor height ratio) sun and shade.
19. Understand the role design and construction can play in creating higher value product. Develop sensitivity to consumer choice in shaping the details of a design solution.

**Prerequisites**
Students should have ECN 201 or EEC 105, and junior standing in a degree granting college. Students should also have a basic understanding of EXCEL for this course. If you have any questions about this course please contact the instructor.

**Reaching the instructor:**
Students should contact the instructor through email. Email is my preferred method of contact. If you have not received a response within 24 hours please contact me again as email can be questionable at times. In addition, students will receive email from this course to their e-campus emails. Be sure to check these often. It is your responsibility to forward your campus email to any other email system you have so that you receive my communications. Please do not use Sakai for correspondence.

**Class Cancellation Policy:**
Since this is an online course, all students are expected to turn in the assignments on the due date as designated in the syllabus regardless of inclement weather.

**Content: Topic Areas & Detailed Class Schedule**
A schedule of all readings will be posted on Sakai under each lesson. Assignments will be due at the end of each week. Check the handouts and calendar for the due date for the major assignments.

**Readings**
See Sakai for the list of readings for the course
Assignments:
During the semester students will be expected to write two exams, a midterm and a final. Each exam will count 33% of your grade. You will need to purchase a token from the book store for the virtual proctor prior to taking the exam. In addition to the two exams there will be quizzes you will take online. See the schedule on Sakai for the times. To be excused from a missing homework assignment the student must provide written documentation that is acceptable to the instructor. Written documentation must be sent two days prior the due date. Both the midterm and final will require the use of virtual proctor. Please check the Bookstore for details.

33% – Quizzes – Quizzes have been designed to help students develop a proficiency in the use of tools and methods used to conduct a financial analysis of a proposed real estate development. These skills will be needed in both the mid-term and final exam.

33% Midterm Exam 1- The midterm examination has been designed to test the material covered in the first half of the course. Students are expected to have a working understanding of basic terminology, financial principles.

33% Final Exam – Students are expected to have a working understanding of basic terminology, financial principles. The final has also been designed to test a student’s ability to critique a proposed development project.

Grading Scale

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How This Class Works:
This course is completely online but is not self-paced. Over the term you will be required to complete each unit of work. There are 15 units of work for the semester. Each unit has an online video, specific readings, exercises and assignments. Please complete the unit by the designated date. Each units will take you through a discussion of the key issues in the real estate development and finance. All of the materials you need are accessible on Sakai. Each
week you will have access to a new unit of work which includes: videos, PowerPoints, readings exercises. Excel spreadsheets and on-line resources.

Schedule on SAKAI
On the left hand side of the Sakai webpage for this course you will see a variety of tabs including: (1) Start Here, (2) Syllabus, (3) Lessons, (4) Test and Quizzes, (5) Gradebook, (6) Forum, (7) Resources, (8) Announcements and (9) Drop Box. Each of these tabs contains information that you will need to access in the very beginning of this course, as well as throughout the course duration. Here is the breakdown of each tab:

(1) Start Here: This tab contains a basic summary of the course, course objectives, requirements and my contact information. It will also contain a video explaining how to take this on-line course.

(2) Syllabus: This tab contains the syllabus for the course.

(3) Lessons: This tab contains the course materials for each week. When you click on this tab you will find
   a) Brief Introduction and schedule for the week
   b) Content overview
   c) Stated learning objectives
   d) Video lectures
   e) Supplementary videos
   f) Discussion questions
   f) Weekly assignments
   g) To do list – check list of required tasks for the week

(4) Test and Quizzes: After you reach the last question of the quiz or exam please save your homework and press the submit button. Do not close the browser until you reach the page with my “Thank you for submitting this homework.” BE SURE TO PRINT THIS PAGE AND SAVE IT FOR YOUR RECORDS. If you do not print this page, I cannot guarantee that your homework will be entered into the gradebook, and it may result in a late grade. PLEASE KEEP IN MIND THESE HOMEWORKS ARE SIMILAR

(5) Gradebook: All grades will be posted in the gradebook. Please check here to keep score of your grades for this course.

(6) Forums: The forum will be used for commenting on student work. It will also be used as a vehicle for discussing the material covered in the course. I encourage all students to frequently meet externally, through phone and skype.

(7) Resources: All course materials will be stored under Resources. This includes the syllabus, assignments, videos, handouts, tutorials, lecture outlines, readings and exercises.

(8) Announcements: During the semester announcements will notify the class of important reminders, updates, helpful hints and links to important on-line materials stored under resources. All announcements will be emailed to students when they first appear under this heading.

(9) Drop Box: All completed assignments will need to be uploaded to the Drop Box. Please do not email assignments to the instructor.
(10) Calendar: Due dates for assignments and exercises

Minimum Technical Skills for Students
Students taking this on-line course will need to have minimum technical skills prior to starting the course. These skills include the following:
- All students will need to be familiar with navigating through Sakai.
- All students will need to be able to use email and send attachments or receive attachments if necessary.
- All students will need to be able to copy and paste text into Sakai.
- All students will need to have a basic skill set in Excel including: entering and formatting data, numbers and tables, calculating totals, creating simple equations, inserting functions and making a chart in Excel.
- Students with limited knowledge of Excel will be given an on-line tutorial and exercises. It is important that students become familiar with Excel.

Technology Accessibility Statements
Sakai: The following provides access to Sakai’s Accessibility Statement: https://sakaiproject.org/accessibility


YouTube: The following provides access to YouTube’s Accessibility Statement: https://support.google.com/youtube/answer/189278?hl=en

Technology Access and Privacy Statements
Computer access to the internet is required in order to successfully navigate this course. Firefox or Chrome is the recommended browser for Sakai compatibility and can be downloaded free from www.mozilla.com/firefox. You will require additional plug-ins (Adobe Reader, Adobe Flash, Real Player, Quicktime). These are all free downloads. Internet Explorer for Windows, version 11 or higher is also an option. Be sure to turn off pop-up blocker.

You will also be watching videos through embedded YouTube videos in this course. Privacy policies for YouTube can be accessed here: https://www.youtube.com/static?template=privacy_guidelines

Sakai Help
Here is the link for Sakai help: https://sakai.uri.edu/portal/help/main

In the Sakai menu on the left you will see Sakai Documentation at the bottom of the menu. If you click on it, it will take you to the help pages. You can also call the Help Desk at 401-874-4357.

Remember to use Firefox or Chrome as your browser as there have been compatibility issues with Internet Explorer and Safari. Firefox works on both PC and Mac platforms. Sakai Help.

Expectations:
This is an intensive 3-credit course. Late assignments (2 days or more) will be deducted one grade down (83% being the highest you can obtain assuming a 100% evaluation) unless there is a documented excuse. If you reschedule it for another date and it is still not completed you will receive a grade of 0%.

Other Equipment/Material requirements
A laptop with a word processing application and EXCEL or an equivalent spreadsheet program will be needed to complete the assignments for this course. An inexpensive hand calculator may also be helpful in this course.

The Academic Enhancement Center (AEC)
(From the AEC web page)

https://web.uri.edu/aec/
At the Academic Enhancement Center, we support academic success for all URI students. Our well-trained staff of tutors and academic consultants combine subject knowledge with an understanding of what students need to do to be successful.

To learn more about our programs, click a link below. Or, stop by one of our reception areas in Roosevelt Hall – in room 009 for the Writing Center, or room 411 for tutoring and other programs. You can also call us at 401.874.2367.

Students with Disabilities
Any student with a documented disability should contact your instructor early in the semester so that he or she may work out reasonable accommodations with you to support your success in this course. Students should also contact Disability Services for Students: Office of Student Life, 330 Memorial Union, 874-2098. They will determine with you what accommodations are necessary and appropriate. All information and documentation is confidential.

ACADEMIC INTEGRITY AND CONSEQUENCES

Academic Integrity:

Students are expected to be honest in all academic work. A student’s name on any written work, quiz or exam shall be regarded as assurance that the work is the result of the student’s own independent thought and study. Work should be stated in the student’s own words, properly attributed to its source. Students have an obligation to know how to quote, paraphrase, summarize, cite and reference the work of others with integrity. The following are examples of academic dishonesty.

• Using material, directly or paraphrasing, from published sources (print or electronic) without appropriate citation
• Claiming disproportionate credit for work not done independently
• Unauthorized possession or access to exams
• Unauthorized communication during exams
• Unauthorized use of another’s work or preparing work for another student
• Taking an exam for another student
• Altering or attempting to alter grades
• The use of notes or electronic devices to gain an unauthorized advantage during exams
• Fabricating or falsifying facts, data or references
• Facilitating or aiding another’s academic dishonesty
• Submitting the same paper for more than one course without prior approval from the instructors

All students should recognize that under no circumstances will I tolerate this kind of behavior. Violations of this policy will result in a grade of F on the assignment and quite possibly for the course. Please reference the following website for more information on academic integrity policies at URI: www.cba.uri.edu/home/current/AcademicHonestyandIntegrity/

Professional Conduct:
Cheating and plagiarism are serious academic offenses, which are dealt with firmly by the College and University. Scholastic integrity presumes that students are honest in all academic work. Cheating is the failure to give credit for work not done independently (i.e., submitting a paper written by someone other than yourself), unauthorized communication during an examination, or the claiming of credit for work not done (i.e., falsifying information). Plagiarism is the failure to give credit for another person’s written or oral statement, thereby falsely presuming that such work is originally and solely your own.

If you have any doubt about what constitutes plagiarism, visit the following website: http://gervaseprograms.georgetown.edu/hc/plagiarism.html, the URI Student Handbook, and University Manual sections on plagiarism and cheating at http://www.uri.edu/facsen/8.20-8.27.html-cheating.

Please note the following section from the University Manual: