

University of California, Davis, Graduate School of Management Course Syllabus (Subject to Change)

MGT/P 276, Real Estate Finance and Investments, Spring 2023

Time: Thursdays, 6:00pm – 9:00pm

Dates: 4/6/23 – 6/15/23

Location: Gallagher Hall 1213

Instructor: Todd Mirell

Phone: 916-768-8586 (Cell)

Office Hours: By appointment

Email: [tmirell10@gmail.com](mailto:tmirell10@gmail.com)

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.

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. Details can be found at <http://sja.ucdavis.edu/files/cac.pdf>

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:

1. Brueggeman, William B. and Fisher, Jeffrey D. *Real Estate Finance and Investments, 17th edition* (McGraw-Hill/ Irwin, 2021). There is a paperback/international edition that seems to include the exact same material for a much lower price. Please confirm similarity before purchasing.

[Amazon.com: Real Estate Finance & Investments eBook : Brueggeman, William B.: Kindle Store](https://www.amazon.com/Real-Estate-Finance-Investments-eBook-Brueggeman-William-B/dp/B089888888)

2. Smartphone app 10BII Calc HD by Ernest Brock or 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. The app provides the exact same utility and is far cheaper. Either choice is acceptable.

3. Lecture notes will be posted to the classwebsite.

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 assigned readings prior to class and be prepared to discuss them.

3. Course Pre-requisite: None. However, completion of the core finance course, Financial Theory and Policy, MGP/MGT/MGB 205 is **STRONGLY** recommended.

Grading:

Midterm Exam 40%

Final Exam 60% (Final exam grade will replace mid-term grade if final exam grade is higher)

#### SCHEDULE, LECTURE TOPICS, READING

Class 1 - 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 2 - Income Producing Assets, Investing in Real Estate Reading: Chapter 10, 11

Class 3 - Fixed/variable rate debt instruments, Reading: Chapter 2, (pages 16-25), 4, 5

Class 4 - Mid-Term Reading: NA

Class 5 - Additional concepts, financing Commercial Real Estate, Reading: Chapter 6, 12, pgs 435/436 (market leasing assumptions)

Class 6 - Mid-Term Debrief, Land Development, Project Development Reading: Chapter 17 (pgs 545-555), 16

Class 7 -, Dispositions Reading: Chapter 14

Class 8 - Financing Residential Properties, CMOs, Credit Default Swaps, Pass-Through Securities Video: 60 Minutes story on CDS Reading:

Chapter 8, 19, 20

Class 9 - Real Estate Law, Bankruptcy, Loan Workouts, Foreclosure, Financing Corporate Real Estate, Reading: Chapter 2, (pgs 26-39), 15

Class 10 - Final Review, Structuring Real Estate Investments: Organizational Forms and Joint Ventures Reading: Chapter 18

Class 11 – Final

## 1) Statement on Accommodation

UC Davis is committed to educational equity in the academic setting, and in serving a diverse student body. All students who are interested in learning about how disabilities are accommodated can visit the [Student Disability Center](#) (SDC). If you are a student who requires academic accommodations, please contact the SDC directly at [sdc@ucdavis.edu](mailto:sdc@ucdavis.edu) or 530-752-3184. If you receive an SDC Letter of Accommodation, submit it to your instructor for each course as soon as possible, at least within the first two weeks of a course.

## 2) Rights and Responsibilities

All participants in the course, instructor and students, are expected to follow the UC Davis [Principles of Community](#), which includes affirmation of the right of [freedom of expression](#), and rejection of discrimination. The right to express points-of-view without fear of retaliation or censorship is a cornerstone of academic freedom. A diversity of opinions with respectful disagreement and informed debate enriches learning. However, in this course, any expression or disagreement should adhere to the obligations we have toward each other to build and maintain a climate of mutual respect and caring.

You are expected to take UC Davis's [Code of Academic Conduct](#) as seriously as we do. You were given this code of conduct with explicit explanations of violations (e.g. plagiarism, cheating, unauthorized collaboration, etc.) and your responsibilities in regard to them during orientation, and you signed a statement affirming that you understand it. Academic conduct violations will not be tolerated, and your instructor will not hesitate to turn violators over to Student Judicial Affairs. If you are uncertain about what constitutes an academic conduct violation, please refer to the code linked above, contact your instructor, or refer to the [Office of Student Judicial Affairs](#).

All material in the course that is not otherwise subject to copyright is the copyright of the course instructor and should be considered the instructor's intellectual property.

## 3) Safety and Emergency Preparedness

UC Davis has many resources to help in case of emergency or crisis. While reviewing campus [Emergency Information](#), you may want to register for UC Davis Warn Me and Aggie Alert, which will give you timely information and instructions about emergencies and situations on campus that affect your safety.

If there is an emergency in the classroom or in non-Davis locations, follow the instructions of your instructor.

## 4) Student Wellness

You deserve respect, and are encouraged to [practice self-care](#) so that you can remain focused and engaged; that might mean getting a drink of water, leaving to use the restroom, taking a moment to stretch, or doing something else you need to do to take care of yourself. Please be respectful of others by minimizing distractions when practicing self-care – especially in lab, field or studio settings where safety is imperative.

College life can be overwhelming at times but know that you are not alone if you're feeling stressed. For many of us, systems of oppression such as racism, sexism, heterosexism or cissexism may cause additional stress. Please remember to practice self-care and reach out for support if and when you need it.

You can visit [Virtual UC Davis](#) to find resources related to health and well-being, academics, basic needs (food and housing) and more.

## 5) Disclaimer

Unexpected events might require elements of this syllabus to change. Your instructor will keep you informed of any changes.