

REE 6395
Section 0668 (25780)
Investment Property Analysis
Fall 2020, Module 2

Instructor: Professor David Ling
Office: Stuzin Hall, 301C
Class Times: Monday & Wednesday, 11:45am - 1:40p.m. (periods 5-6), via Zoom
Office Hours: By appointment, after class, or Monday & Wednesday, 2:00 - 2:45pm via Zoom
Phone: 273-0313--Office
392-0153--Department of Finance, Insurance, and Real Estate (Stuzin 321)
E-mail: ling@ufl.edu
Prof. Ling's Page: https://www1.warrington.ufl.edu/departments/fire/docs/cv_DavidLing.pdf
CRES: For more information on the Warrington College of Business Administration's real estate programs and activities, including information on the Alfred A. Ring Distinguished Speaker Series, see the Bergstrom Center for Real Estate Studies' (CRES) website: www.realestate.ufl.edu.

Course Description and Objective

The focus of this course is on the major concepts, principles, data, and analytical tools used to evaluate commercial real estate (CRE) investment decisions. The course focuses primarily on equity investments in privately-owned and traded commercial real estate, although we will also discuss real estate investment trusts; i.e., "REITs."

We will examine valuation and decision making from the perspective of "institutional" investors and market participants (e.g., banks, life insurance companies, investment management firms, pension funds, and real estate private equity funds). At the institutional level, the link between local property markets and the broader capital markets is the most intense and important.

Because we are focusing at the institutional level, this course will differ from some traditional real estate finance and investment courses focused on "Mom & Pop" individual investments. At our level of focus, we must rigorously integrate real estate investment topics with, and build our methodology upon, the modern investment perspective. However, the course is applied in nature in that the best practices of CRE professionals are taught and discussed.

Students must be familiar with the application of discounted cash flow analysis (capital budgeting) to commercial real estate investments (as is taught in REE 6045: Introduction to Real Estate). Students also are assumed to have a working knowledge of EXCEL and to be comfortable with the functions of a financial calculator.

Means of accomplishing course objectives:

1. Course is lecture oriented. However, questions and student participation are encouraged.
2. Principles will be reinforced through discussions, in-class quizzes and assignments, and problems available in the readings and lecture notes.
3. Homework assignments, done in groups, will also reinforce class material as well as expose students to the use of spreadsheet programs in real estate valuation and decision making. Concepts learned by completing the homework assignments are "fair game" for quizzes and exams.

4. In keeping with the applied nature of the course, many real world issues and “current events” will be discussed in class. In addition, you are encouraged to attend the Alfred A. Ring Distinguished Speaker Series (www.cba.ufl.edu/fire/realestate/cres/ring.asp).

Prerequisites:

REE 6045 (Introduction to Real Estate), *or* enrollment in the Master of Science in Finance (MSF) program, *or* completion of both FIN 5437 and FIN 5439. REE 6045 is *highly* recommended as a prerequisite.

Required Materials:

1. Four chapters from *Real Estate Principles: A Value Approach 6th Edition*, by Ling and Archer (McGraw-Hill 2021). These chapters are available on the class Canvas site.
2. Other required readings, which are available on the class Canvas site.
4. *Class Notes* can be downloaded directly from the class *Canvas* site.
5. A financial calculator with standard time-value-of-money functions (present value, future value, annuities, etc.) that can also perform cash flow analysis (NPV and IRR) is highly recommended. If purchasing, I would recommend the Hewlett Packard 10BII. A useful two-page overview of the HP-10BII (put together by Professor Archer) is available on the class Canvas site (under “Files/Other Course Resources”). You will not be able to use a phone with a calculator when taking exams.

More on Required Calculator: You are responsible for learning how to operate your financial calculator. You will not be permitted to use the calculator’s user manual during exams. You should consider having extra batteries (or an extra calculator) available during the exam.

Permitted “financial calculators” include the following: (1) the HP 10b family of calculators, (2) the Texas Instruments BAI Plus family of calculators, and (3) the Casio FC-200V financial calculator. The HP 10BII or 10BII+ is recommended, as the textbook examples are shown using this calculator. A calculator tutorial for the 10-BII is included on the course Canvas site. No other financial/scientific/programmable calculators are permitted. No need to ask about other calculators – no others are permitted.

Note: You may not use any calculator that is part of your computer software. Also, you cannot use software that simulates any of the approved calculators; instead, you must use a physical calculator.

Accessing the Course Canvas Site: The course website will open on Friday, October 23. This course is presented via the University of Florida’s Canvas e-Learning course management system: <http://elearning.ufl.edu>.

Log into Canvas using your GatorLink username and password. From the list of courses, choose “REE6395 Investment Property Analysis, Fall 2020.” You must be registered for this course to obtain access to the course materials. It may take 24-48 hours for Canvas to be updated with the latest enrollment data from the Registrar’s Office.

The University of Florida, not the Warrington College of Business Administration, supports the Canvas course management system. If you need help using the Canvas Course Management System, contact the UF Computing Help Desk at 352-392-HELP (392-4357), or go to their Webpage at <http://helpdesk.ufl.edu/>.

Note on class announcements: I will frequently communicate with the class by posting announcements to the class *Canvas* site. It is your responsibility to make sure you are receiving email notifications of Canvas announcements.

Grading and Expectations:

Homework	15%
Quizzes/in-class exercises	10%
Participation/cooperation	8%
First exam (Wednesday, November 6)	27%
Second exam (Wednesday, December 11)	<u>40%</u>
Total	100%

Grading: You are guaranteed the following straight scale: If your weighted average percentage is 94 percent or greater you will receive an “A”; 90-93 percent will guarantee you an “A-”; 87-89 percent a “B+”; 84-86 percent a “B”, etc. However, final grades may be curved upward.

You are required to attend class sessions “live” (i.e., synchronously). Class sessions will not be recorded.

Although Zoom class sessions present challenges, you are expected to attend the sessions with your video on. Answering and asking questions will contribute positively to your class participation grade. However, my evaluation will also be based on your attendance and the extent to which you help create a positive learning environment. (Note: Zoom provides the names of students who attended each session and the amount of time they participated in each class session. I will review this information after each class session.) Periodically during a class session, the TA will audit the gallery to observe the class.

Homework assignments will be done in groups of no more than three and no less than two. You are to form your own homework groups. All completed homework assignments must be emailed to me on the assigned due date before class starts at 11:45am. Late assignments will not be accepted.

Important: Be sure and do the following when submitting your homework assignments: (1) Make sure each student’s name is typed at the top of the Word document or Excel file; (2) Make sure each student’s name is included in the name of the Word document or Excel file that is/are submitted. For example: “HW#1 by Jones, Smith, and Miller;” (3) Make sure each student’s name is included in the subject line of the email. For example, “HW#1 by Jones, Smith, and Miller;” (4) Make sure all members of the group are copied on the email sent to me by the submitting student. I will not grade assignments that do not strictly follow these instructions.

Some quizzes will be announced prior to their administration and taken individually using Honorlock at 11:45am on the indicated date. Students will then move to Zoom after taking the quiz. In-class assignments will be done in groups of three or four. Those attending the class session will be randomly assigned to breakout rooms in Zoom. Each group should submit on completed assignment via email to me BEFORE class resumes. The procedure that must be followed when emailing me the completed “in-class” assignment are identical to those for submitting homework assignments (see above).

Both exams will be taken at 11:45am on the indicated dates using Honorlock. Make-up exams will be offered only under extenuating circumstances (generally medical excuses) and only if the student receives permission from Professor Ling in advance. More information is provided below.

There is a large and complex body of material to master in this class. It is essential that you come prepared to each class: this means you need to have completed assigned readings and homework before class. The lectures are intended to highlight basic themes and to help you understand key concepts and techniques--they cannot cover everything assigned. You are, however, responsible for learning all of the assigned material. Unless you are specifically instructed to the contrary, assume all assigned material is “fair game” for quizzes and exams.

Testing Procedures Using Honorlock

To maintain academic integrity and assure that the value of your University of Florida degree is not compromised, all course exams and quizzes are taken in a secure environment. All students will take exams electronically using the Canvas course site and Honorlock.

You will need a webcam, speakers, microphone, and a reliable Internet connection to be able to take your exams. Wireless Internet is not recommended. It is your responsibility to run the single-click test system check that can be found at <https://honorlock.com/support/>.

Find a quiet, private location to take your quizzes and exams. Do not take them in a coffee house, nor in a car, nor in an airplane. Take it at home, or another place where you can be alone and have reliable internet access. And have a backup plan in case power or the internet is down. Google Chrome is the only supported browser for taking exams in Canvas.

Honorlock will alert me if they feel you are making use of unauthorized materials (including your cell phone) on a quiz or exam. I will review these exams carefully for evidence the student was making use of unauthorized materials while taking exams, thereby violating the Student Honor Code. My TA and I will also review/audit other quiz and exam sessions recorded by Honorlock as a further check to ensure students are not making use of unauthorized materials while taking exams. Leaving the quiz/exam area for any reason is not permitted.

For complete, up-to-date guidance in taking exams with Honorlock, go to these Warrington College of Business websites: <https://warrington.ufl.edu/covid-19/for-students/honorlock-student-guide/> and <https://warrington.ufl.edu/covid-19/for-students/honorlock-best-practices/>

Exam Emergency: If you have an issue during the exam, use the “Live Chat” feature within the Canvas exam to “speak” to a technical representative and troubleshoot issues. If you cannot enter the exam, you should contact Honorlock (844-243-2500) and/or the UF Help Desk (352-392-4357). If something abnormal happens during the exam that you wish to report to me, use the class email address once the exam is finished.

It is your responsibility to take the Honorlock practice quiz in the days prior to the exam to make sure you are ready to go on exam day. This practice quiz can be found under the “Quizzes” tab.

The UF Academic Honor System

The Academic Honesty Guidelines at the University of Florida are designed to develop and engender a community of honor, trust and respect. Students within the system receive the benefits of the academic pursuit of knowledge, free from the obstacles of lying, cheating and stealing. In return, the Academic Honesty Guidelines demand that students act with integrity in all their endeavors. Every student who approaches their studies with honesty and forthrightness suffers when another student attains an unfair advantage by cheating.

An academic honesty offense is defined as the act of lying, cheating, or stealing academic information so that one gains academic advantage. As a University of Florida student, one is expected to neither commit nor assist another in committing an academic honesty violation. More specifically, under UF’s Academic Honor System, on all work submitted for credit by students of the University of Florida, the following pledge is either required or implied: "On my honor, I have neither given nor received unauthorized aid in doing this assignment."

Additionally, it is the student's duty to report observed academic honesty violations: <http://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/>.

Please note that violations of this Academic Honor System will not be tolerated. Before submitting any work, please read the policies about academic honesty at the following online locations and if needed, ask for clarification of its expectations: <https://catalog.ufl.edu/ugrad/1617/advising/info/student-honor-code.aspx#honesty>

Administrative Issues

Accommodations for students with disabilities:

Students Requesting Accommodations: Students requesting testing accommodations, including changes to the testing environment, must first register with the Disability Resource Center (DRC). You should follow all instructions as provided by the DRC. Please note that the DRC requires at least 7-10 days to process a request for accommodations.

Since you will be taking your exams and quizzes through Honorlock, you must obtain a digital Accommodation Letter from the DRC that can be e-mailed to me, and which details the conditions for your testing accommodations, such as the total amount of time you will require for each exam. I will then inform Honorlock of these accommodations and have the exam parameters updated in Canvas. I will do this for all remaining quizzes and exams when I receive the letter.

I must receive a current Fall 2020 Accommodation Letter by 5:00pm EST at least five *working* days prior to the quiz or exam date. Otherwise, I do not have the time needed to setup the exam.

If your accommodations call for anything other than extended time, you need to discuss this with me. Honorlock typically only handles extended time, so other accommodations require additional coordination with Honorlock.

Make-up Exams:

Make-up exams will only be offered in two situations: (1) unexpected health situations that prevent you from taking the exam, and (2) university-approved absences, such as military leave, religious observances, etc.

For unexpected medical situations that prevent you from taking the exam, documentation must be provided—prior to the exam—from an independent 3rd party with the relevant credentials. Valid excuses include, for example, medically unable to take the exam with valid documentation from a doctor, where the doctor was seen prior to the exam date/time.

Acceptable documentation must:

1. Be on official letterhead. It must be dated and include contact information, such as name, address, phone number, and e-mail. It must also include a specific person for me to contact with questions.
2. State a reason, specific illness, or symptoms. All doctor notes must state a specific diagnosis or symptoms. A note indicating that you were seen at the health center the day of the exam is not sufficient documentation; rather, the note must say what is medically wrong with you.
3. Lead a reasonable person to conclude that you are unable to take the exam.

This documentation must be emailed to me and received before the scheduled start of the exam or quiz.

Also, according to UF guidelines, certain situations, such as military leave and religious observances, are valid excuses for missing an exam. Since these absences are usually known at the start of the term, students must report these via e-mail to me by Friday, October 30 at 5:00pm to receive consideration for a make-up exam. If the event was not known at the start of the term (e.g. unexpected military assignment), students must report these situations to me within 24-hours of being notified. In any event, I must be notified prior to an exam to be granted a make-up.

Make-up exams will not be granted for social activities, such as ski trips, weddings, cruises, birthday parties, trips to sporting events, or family vacations. Since the exams are administered via Canvas and Honorlock, exams can be taken almost worldwide. Plan accordingly.

Please note that make-up exams are not offered once you start an exam (i.e., initiate contact with Honorlock). If you start an exam, and your calculator dies or your computer breaks, it is up to you to have a back-up plan that can be quickly implemented. Do not start an exam if, for example, you are ill. See a doctor and get documentation. The Honorlock proctors cannot override this, even if they observe you, for example, getting sick. Generally, once you start an exam, it will count!

Requirements for class make-up exams are consistent with university policies, which can be found at: <https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx>.

Department Chair:

The chair of the Finance, Insurance and Real Estate Department is Professor Andy Naranjo, andy.naranjo@warrington.ufl.edu. The department offices are located in 321 Stuzin, 392-0153.

Related University Policies:

Document retention policy:

Student course material will be retained for three weeks beyond the end of the term.

Counseling and Mental Health Services

In the event a student needs access to university counseling services and mental health services, they may contact: 392-1575, or <http://www.counseling.ufl.edu/cwc/Default.aspx>. For any additional emergencies, students may contact University Police Department: 392-1111 or 9-1-1 for emergencies.

Getting Help

For issues with technical difficulties for E-learning in Canvas, please contact one of the following the UF Help Desk resources at: Learning-support@ufl.edu, (352) 392-HELP (select option 2) or <https://lss.at.ufl.edu/help.shtml>.

Any requests for make-ups due to technical issues MUST be accompanied by the ticket number received from LSS when the problem was reported to them. The ticket number will document the time and date of the problem. You MUST e-mail the TA within 24 hours of the technical difficulty if you wish to request a make-up.

Other resources are available at <http://www.distance.ufl.edu/getting-help> for counseling and wellness resources, disability resources, library help support and resources for handling student concerns and complaints. Should you have any complaints with your experience in this course please visit <http://www.distance.ufl.edu/student-complaints> to submit a complaint.

Illness Policy

You should contact your college by the deadline to drop a course for medical reasons. After the college petition deadline, you can petition the University Committee on Student Petitions to drop a course for medical reasons. The university's policy regarding medical excuse from classes is maintained by the Student Health Care Center.

Religious Holidays

The Florida Board of Education and state law govern university policy regarding observance of religious holidays. The following guidelines apply:

- Students, upon prior notification to their instructors, shall be excused from class or other scheduled academic activity to observe a religious holiday of their faith.
- Students shall be permitted a reasonable amount of time to make up the material or activities covered in their absence.
- Students shall not be penalized due to absence from class or other scheduled academic activity because of religious observances.

A student who is to be excused from class for a religious observance is not required to provide a second party certification of the reason for the absence. Furthermore, a student who believes that he or she has been unreasonably denied an education benefit due to religious beliefs or practices may seek redress through the student grievance procedure.

Twelve Day Rule

Although it is highly unlikely for an online class, students who participate in athletic or extracurricular activities are allowed some flexibility in assignment or exam due dates, limited to 12 scholastic days per semester without penalty. (A scholastic day is any day on which regular class work is scheduled.) Instructors must be flexible when scheduling exams or other class assignments. The 12-day rule applies to individual students participating on athletic or scholastic teams. Consequently, a group's schedule that requires accommodating more than 12 days should be adjusted so that no student is unable to complete their assignments more than 12 scholastic days. It is the student's responsibility to maintain satisfactory academic performance and attendance.

Wellness - U Matter, We Care

Your well-being is important to your Faculty and to the University of Florida. The U Matter, We Care initiative is committed to creating a culture of care on our campus by encouraging members of our community to look out for one another and to reach out for help if a member of our community is in need. If you or a friend is in distress, please contact umatter@ufl.edu so that the U Matter, We Care Team can reach out to the student in distress. A nighttime and weekend crisis counselor is available by phone at 352-392-1575. The U Matter, We Care Team can help connect students to the many other helping resources available including, but not limited to, Victim Advocates, Housing staff, and the Counseling and Wellness Center. Please remember that asking for help is a sign of strength.

Online Course Evaluations

Students are expected to provide feedback on the quality of instruction in this course by completing an online evaluation form at <https://evaluations.ufl.edu>. Students will be given specific times when they are open by an e-mail from the Warrington College of Business Administration. Summary results of these assessments are available to students at <https://evaluations.ufl.edu/results/>.

Disclaimer/Reservation of Right to Make Changes

This syllabus, as well as the assignments herein, represents the current plans and objectives. As we go through the semester, those plans may need to change to enhance the learning opportunity and/or accommodate scheduling conflicts. Quiz and Exam dates will not be subject to change except in the case of extreme emergencies. All changes will be communicated in writing via Canvas. Assignments and announcements will be posted on Canvas. If there is conflicting information between Canvas and this Syllabus, please follow the instructions on Canvas as it should reflect the most recent scheduling.

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Pre-taped lecture to be watched prior to first exam

Everything you should know about cap rates (but may not)

Class Notes, Lecture #0

CBRE, “US Cap Rate Survey,” Q32020

Katz, “Amid Pandemic CRE Buyers and Sellers Grow Even Further Apart on Pricing,”
Globe.St.com, October 10, 2020.

Monday, October 26

Class Orientation and Introduction

Income Taxation and Cash Flows, Values, and Returns

Class Notes, Lecture #1

Chapter 20, *Real Estate Principles 6th ed.*, Ling and Archer.

Ling, et al., “A First Look at the Impact of COVID19 on Commercial Real Estate Prices: Asset Level Evidence,” August 2020, forthcoming, *Review of Asset Pricing Studies* (recommended but not required).

Wednesday, October 28

Income Taxation and Cash Flows, Values, and Returns, continued

Class Notes, Lecture #1

Risher, Clay, “What Every Real Estate Investor Should Know About Cost Segregation,” *National Real Estate Investor*, August 24, 2018.

Thompson, Jason and Kyle Sund, “CARES Act Tax Provisions Could Help Real Estate Investors Increase Cash Flow,” *National Real Estate Investor*, September 23, 2020.

1031 Corporation, “The Tax Rules for Sale of a Personal Residence (In A Nutshell).”

HUD, “LIHTC Basics.”

Eriksen, Michael and Bree Lang, “Overview and Proposed Reforms of the Low-Income Housing Tax Credit Program, Working Paper, pgs. 1-11.

Norman, Tasha, “LIHTC Properties Have a History of Riding Out a Recession,” *GlobeSt.com*, May 15, 2020.

Derhake, Joseph, “Maximizing LIHTC Investment: Understanding Nuances Can Determine Profit,” *National Real Estate Investor On-Line*, September 30, 2019.

Thursday, October 29

Alfred A. Ring Distinguished Speaker

William Hughes, Executive Director of Applied Research, University of Florida Bergstrom Real Estate Center
(<https://warrington.ufl.edu/real-estate-center/contact/>)

Monday, November 2

Tax-Deferred Exchanges & Opportunity Zones

Class Notes, Lecture #2

1031 Corporation, “Everything You Ever Wanted to Know About 1031 Exchanges and the Tax-Saving Opportunities.”

Barker, David, David C. Ling, and Milena Petrova, “The Value of Tax Deferral: An Analysis of Real Estate Tax-Deferred Exchanges” forthcoming *Journal of Real Estate Literature*.

Borland, Kelsi, “1031 Exchanges Are Driving Transaction Volumes,” *GlobeSt.com*, August 12, 2020.

Kenan Institute, "The Land of Opportunity Zones," August 2020.

Kim, Betsy, "Clearing up Confusion with Opportunity Zone Investments," *Globest.com*, February 25, 2019.

Borland, Kelsi, "Inside the Opportunity Zone Relief Benefits," *GlobeSt.com*, July 2, 2020.

McDonald, R. Robin, "Qualified Opportunity Zone Investments Bounce Back from Shutdown," *GlobeSt.com*, June 19, 2020.

Shaver, Les, "Panic Selling One Factor Driving Opportunity Zones," *GlobeSt.com*, June 22, 2020.

Homework #1 due (Industrial Property Valuation)

Wednesday, November 4

Leasing Terms and Analysis

Class Notes, Lecture #3

Chapter 22, *Real Estate Principles 6th ed.*, Ling and Archer.

CCIM Institute, "Typical Items in Commercial Leases."

Ramsen Shopping Center Lease.

Monday, November 9

Leasing Terms and Analysis, continued

Class Notes, Lecture #3

Bannister, Jon, "How the Shift to Short-Term Leases is Changing the Way Office Buildings are Valued," *Bisnow*, August 21, 2020.

Borland, Kelsi, "How Retail Leases Will Change in a Post-Covid World," *GlobeSt.com*, July 16, 2020.

Dow Jones Industrial News, "Retail Landlords Offer Pandemic Clauses in New Leases," August 25, 2020.

Suleymanov, "Consider the 'Gross-Up' in Lease Modifications and New Commercial Leases," *National Real Estate Investor*, October 8, 2020.

Shaver, Les, "Percentage Rent Leases Are Coming with Lots of Questions," *GlobeSt.com*, October 1, 2020.

Marino, David, "Hidden Costs in Lease Operating Expenses," *SD Metro Magazine*, May 15, 2011.

Masian, Ben, "Monte Carol Simulation: Contemplating Risk in Real Estate Investing," *The Advisory (RCLCO)*, March 15, 2018.

Homework #2 due (ELR-Industrial Lease)

Wednesday, November 11

No class (Veteran's Day)

Thursday, November 12

Alfred A. Ring Distinguished Speaker

Ernest Johnson, Executive Managing Director, ApexOne (www.ApexOneIP.com)

Monday, November 16

First Exam (Honorlock)

11:45am – 1:40pm

Wednesday, November 18

Commercial Mortgage Types and Decisions

Class Notes, Lecture #4

Chapter 16, *Real Estate Principles 6th ed.*, Ling and Archer.

Thursday, November 19

Alfred A. Ring Distinguished Speaker

W. Scott Frame, Vice President, Federal Reserve Bank of Dallas

(<https://www.dallasfed.org/research/economists/frame.aspx>)

Monday, November 23

Commercial Mortgage Types and Decisions, continued

Class Notes, Lecture #4

Angel Law Offices, "Due Diligence for Commercial Real Estate: A Checklist for Seller's Documents."

Phillips, Mike, "These Nobel Prize Winners Think You're Selling Your Real Estate Badly," *Bisnow*, October 19, 2020.

Shaver, Les, "CRE Delinquency Rates Rises as Borrowers Get More Strategic About Defaults," *GlobeSt.com*, September 21, 2020.

Mattson-Teig, Beth, "Special Servicer Activity Provides a Window into Assessing the Distressed Cycle," *National Real Estate Investor*, Oct. 12, 2020.

Shaver, Les, "Sale Leasebacks on the Rise as Owners Seek Cash," *GlobeSt.com*, May 26, 2020.

Borland, Kelsi, "Will Lenders Adopt SOFR," *GlobeSt.com*, March 5, 2020.

Structuring Real Estate Investments: Organizational Forms and Sources of Capital

Class Notes, Lecture #5

Chapter 17, *Real Estate Principles 6th ed.*, Ling and Archer, pgs. 457-474.

Homework #3 due (NPV, EBC, and NPV of Refinancing)

Wednesday, November 25

No class (Thanksgiving)

Monday, November 30

Structuring Real Estate Investments: Organizational Forms and Sources of Capital, continued

Class Notes, Lecture #5

Shaver, Les, "Life Insurers Prepare for Higher Mortgage Loan Losses," *GlobeSt.com*, October 1, 2020.

Morphy, Erika, "Debt Funds Overtake Life Cos. In Commercial Mortgage Lending," *GlobeSt.com*, September 24, 2019

Scott, Brielle, "The Institutionalization of Industrial RE Sector," *GlobeSt.com*, Sept. 19, 2019.

Mattson-Teig, Beth, "Bridge Lending Space Remains Highly Competitive in a Liquid Market," *National Real Estate Investor Online*, September 23, 2019.

Dougherty, Bob, "Making Their Mark: The Growing Influence of High-Net-Worth Investors in Large-Scale Commercial Real Estate," *National Real Estate Investor Online*, Feb. 21, 2019.

Wednesday, December 2

Structuring Real Estate Investments: Joint Ventures and the Economics of Joint Ownership

Class Notes, Lecture #6

Chapter 18, *Real Estate Finance and Investments 15th ed.* (2016), Brueggeman and Fisher.

Summers, Daniel, Making Sense of Regulation D 506 (c)," eVest Technology.

Ori, Joseph, "The Seven Deadly Sins of CRE Investment," *GlobeSt.com*, September 19, 2019.

Homework #4 due (Syndication Case Study)

Monday, December 7

Structuring Real Estate Investments: Joint Ventures and the Economics of Joint Ownership, continued

Class Notes, Lecture #6

Real Estate (Private Equity) Investment Funds

Class Notes, Lecture #7

Arnold, Thomas, David C. Ling, and Andy Naranjo, "Private Equity Real Estate Funds: Returns, Risk Exposures, and Persistence," *Journal of Portfolio Management*, Vol. 45, No. 7 (2019).

Mattson-Teig, Beth, "Checking in on CRE Crowdfunding," *National Real Estate Investor*, Aug. 31, 2020.

Ori, Joseph, "Raising Equity in a Fund Structure," *GlobeSt.com*, December 6, 2018

Cawley, Christopher, "Tax Reform Impact on Carried Interest for Investment Managers," *The Foley Advisor*, December 28, 2017.

Egan, John, "Funds Like Blackstone's Begin to Play a Bigger Role in CRE Lending as CMBS Steps Back," *National Real Estate Investor Online*, September 25, 2020.

Morphy, Erika, "Blackstone Closes \$8B CRE Debt Fund," *GlobeSt.com*, September 22, 2020.

Mendoza, "What Does it Mean When a Fund Falls Out of Carry," *Private Equity International*, May 12, 2020.

Peterson, Jon, "US Core Real Estate Funds' Redemption Ques Reach \$14.4 Billion," *IPE Real Assets*, May 29, 2020.

Wednesday, December 9

Investing in Real Estate Investment Trusts

Class Notes, Lecture #8

Chapter 17, *Real Estate Principles 6th ed.*, Ling and Archer, pgs. 474-480.

NAREIT, "What is a REIT?"

Sullivan, Paul, "RE Strikes Out on Its Own in the Stock Indexes," *nytimes.com*, August 26, 2016.

Mattson-Teig, Beth, "Specialty REITs are Gaining Greater Popularity with Investors," *National Real Estate Investor*, August/September, 2018.

Homework #5 due (Risk-Return with aggregate return data)

Monday, December 14

Final Exam (via Honorlock)

11:45AM to 2:15PM