

RED 030: REAL ESTATE DEVELOPMENT FUNDAMENTALS

Originator

zbecker

Co-Contributor(s)**Name(s)**

Bitanga, Bert

Justification / Rationale

Add distance education modality.

Effective Term

Fall 2020

Credit Status

Credit - Degree Applicable

Subject

RED - Real Estate Development

Course Number

030

Full Course Title

Real Estate Development Fundamentals

Short Title

REAL ESTATE DEV FUND

Discipline**Disciplines List**

Real Estate

Modality

Face-to-Face

100% Online

Hybrid

Catalog Description

This course provides an introduction to the methodologies for accurate measurement of demand for real estate products and discusses the legal and regulatory requirements of the entitlement and development approval or permitting process of a project. The course also identifies sources of capital and analyzes the types of financing available in today's commercial real estate markets. The topic of architectural design and building construction practices that contribute to a building's "green" or sustainability rating is discussed by examining the international standards for rating green buildings. In addition, this course will examine real estate development business valuation and the various facets of property management that apply to the variety of real estate products.

Schedule Description

This course provides a myriad of topics related to the legal and regulatory requirements, capital and financing, "green" practice, valuation, and property management of real estate development projects. Advisory: RDG 061

Lecture Units

3

Lecture Semester Hours

54

Lab Units

0

In-class Hours

54

Out-of-class Hours

108

Total Course Units

3

Total Semester Hours

162

Prerequisite Course(s)

Advisory: RDG 061

Required Text and Other Instructional Materials**Resource Type**

Book

Author

Peiser, Richard B./ Frej, Anne B.

Title

Professional Real Estate Development: The ULI Guide to the Business

Edition

3rd

City

Washington, D.C.

Publisher

Urban Land Institute

Year

2012

College Level

Yes

Flesch-Kincaid Level

12

Class Size Maximum

26

Entrance Skills

Use various reading strategies to prepare, read and comprehend expository text.

Requisite Course Objectives

RDG 061-Use SQ3R /or SOAR along with outlining, note-taking, mapping summarizing and other strategies to prepare, read, comprehend expository text.

Entrance Skills

Read a variety of texts fluently

Requisite Course Objectives

RDG 061-Read a variety of texts fluently.

Entrance Skills

Write organized summaries reactions that capture main idea and supporting details.

Requisite Course Objectives

RDG 061-Write organized summaries reactions that capture main idea and supporting details.

Entrance Skills

Understand multiple word meanings, uses synonyms.

Requisite Course Objectives

RDG 061-Understand multiple word meanings, uses synonyms

Course Content

1. Overview of the need for business valuation
2. Business valuation concepts
3. Differences between business valuation and real estate appraisal
4. Principals of business valuation
5. Approach to business valuation
6. Valuation of real estate holdings
7. Earning/cash flow based techniques
8. Goodwill
9. Business enterprise marketplace
10. Overview of cost and income of real estate property
11. Conveyance costs
12. Legal charges
13. Stamp Duty
14. Adjustment of utility charges
15. Marketing costs
16. Interest cost on financed project
17. Loan types
18. Construction costs
19. Overview of Leadership in Energy and Environmental Design (LEED)
20. Water efficiency and utilization
21. Energy efficiency and utilization
22. Indoor air quality
23. Sustainable landscaping (Xeriscaping)
24. Sustainable materials for new construction
25. Sustainable materials for remodeling
26. Recycling job site waste or salvaged materials
27. Real Estate Investment Trusts (REITs)
28. Private equity investments in real estate
29. Agency and non-agency mortgage-backed securities markets
30. Process of securitization
31. Structured mortgage products: CDO's, IOs and POs.
32. Recent subprime mortgage crisis: causes and consequences
33. Prepayment and default modeling
34. Overview of the coexistence between developer, governmental agencies (federal, state and local), and judicial bodies with regard to land use regulations and its:
 - development
 - implementation
 - compliance
 - enforcement

35. Overview of property management for various building typologies
36. Operations management
37. Public relations
38. Building compliance, legal, authority and contractual issues
39. Budgets and cash flow
40. Tenant law and risk management
41. Security and safety protocols
42. Zoning issues

Course Objectives

| Objectives | |
|-------------------|--|
| Objective 1 | Explain the concept of business valuation |
| Objective 2 | Explain the concept of goodwill |
| Objective 3 | Discuss buying and selling a business |
| Objective 4 | Discuss mergers and acquisitions |
| Objective 5 | Identify key definitions related to business valuation |
| Objective 6 | Discuss eminent domain and condemnation actions |
| Objective 7 | Discuss concept of a feasibility study |
| Objective 8 | Discuss the need for a financial analysis |
| Objective 9 | Explain costs associated with raw land |
| Objective 10 | Discuss the involvement of design consultants to the project |
| Objective 11 | Explain the importance of marketing costs |
| Objective 12 | Discuss the importance of finance costs |
| Objective 13 | Explain the different types of development loans |
| Objective 14 | Explain the breakdown for construction costs |
| Objective 15 | Explain environmental sustainability |
| Objective 16 | Explain the significance of LEED |
| Objective 17 | Discuss sustainable site selection and acquisition using LEED tools |
| Objective 18 | Explain policies for incorporating sustainability into the development of various projects |
| Objective 19 | Discuss the integration of green principles from project start to completion |
| Objective 20 | Explain the significance of Zero Energy |
| Objective 21 | Discuss the current state of the public and private real estate capital markets |
| Objective 22 | Explain the current trends in financing real estate investments |
| Objective 23 | Discuss the primary sources of real estate capital |
| Objective 24 | Explain the methodologies of valuing REIT equity |
| Objective 25 | Discuss appropriate equity return for a development project |
| Objective 26 | Discuss social, economic and political implications of land regulations |
| Objective 27 | Discuss limits on regulations |
| Objective 28 | Explain the principles of land development control authority |
| Objective 29 | Identify federal, state and local environmental law |
| Objective 30 | Discuss the administrative processes by which the laws are developed and implemented |
| Objective 31 | Discuss environmentally related planning issues |
| Objective 32 | Discuss the ethical and policy frameworks within which planners consider environmental factors |

Student Learning Outcomes

| Upon satisfactory completion of this course, students will be able to: | |
|---|--|
| Outcome 1 | Compare and contrast mergers and acquisitions. |
| Outcome 2 | Explain the social, economic and political implications of land regulations. |

Outcome 3 Identify the current state and emerging trends in financing real estate investments.

Outcome 4 Explain policies for incorporating environmental sustainability in development projects.

Methods of Instruction

| Method | Please provide a description or examples of how each instructional method will be used in this course. |
|--------------------|--|
| Participation | Class discussion and questions. |
| Lecture | Presentation of topics in context. |
| Discussion | Students participate in case studies relevant to the content of the course. |
| Collaborative/Team | Students evaluate real-life case studies of locations for real estate development. |
| Other (Specify) | Guest Speakers |

Methods of Evaluation

| Method | Please provide a description or examples of how each evaluation method will be used in this course. | Type of Assignment |
|--|---|---------------------|
| Written homework | Written analysis of case studies. | Out of Class Only |
| Other | Short response papers | Out of Class Only |
| Student participation/contribution | Students participate both orally and in writing in discussion questions. | In Class Only |
| Mid-term and final evaluations | Comprehensive examinations covering the material presented in class. | In and Out of Class |
| Group activity participation/observation | Students observe real-life real estate situations and discuss the advantages and disadvantages of the site. | In and Out of Class |
| Self-paced testing | Students complete textbook readings and assignments. | Out of Class Only |
| Reading reports | Students submit written analysis of current event articles. | In and Out of Class |

Assignments

Other In-class Assignments

1. Current events discussion
2. Individual projects
3. Small group projects

Other Out-of-class Assignments

1. Review questions
2. Vocabulary terms
3. Short response papers

Grade Methods

Letter Grade Only

Distance Education Checklist

Include the percentage of online and on-campus instruction you anticipate.

Instructional Materials and Resources

Effective Student/Faculty Contact

Which of the following methods of regular, timely, and effective student/faculty contact will be used in this course?

Within Course Management System:

Timely feedback and return of student work as specified in the syllabus
Discussion forums with substantive instructor participation
Regular virtual office hours
Online quizzes and examinations
Weekly announcements

External to Course Management System:

Direct e-mail
Listserves

Briefly discuss how the selected strategies above will be used to maintain Regular Effective Contact in the course.

Timely feedback and return of students work as described in the syllabus.
Discussion forums with substantive instructor participation.
Regular virtual office hours.
Online quizzes and examinations.
Weekly announcements.

If interacting with students outside the LMS, explain how additional interactions with students outside the LMS will enhance student learning.

Direct e-mail to ensure students are aware of assignments and grades.

Other Information**MIS Course Data****CIP Code**

52.1501 - Real Estate.

TOP Code

051100 - Real Estate

SAM Code

C - Clearly Occupational

Basic Skills Status

Not Basic Skills

Prior College Level

Not applicable

Cooperative Work Experience

Not a Coop Course

Course Classification Status

Credit Course

Approved Special Class

Not special class

Noncredit Category

Not Applicable, Credit Course

Funding Agency Category

Not Applicable

Program Status

Program Applicable

Transfer Status

Transferable to CSU only

General Education Status

Not applicable

Support Course Status

Course is not a support course

Allow Audit

No

Repeatability

No

Materials Fee

No

Additional Fees?

No

Approvals**Curriculum Committee Approval Date**

3/3/2020

Academic Senate Approval Date

3/12/2020

Board of Trustees Approval Date

5/15/2020

Course Control Number

CCC000570144

Programs referencing this course

Real Estate Development Certificate of Achievement (<http://catalog.collegeofthedesert.eduundefined?key=102/>)

Real Estate Development Certificate of Achievement (<http://catalog.collegeofthedesert.eduundefined?key=103/>)