



**Business**

FLORIDA INTERNATIONAL UNIVERSITY

## **REE4956: International Real Estate**

**Note: This is a Discipline-Specific Global Learning course that counts toward your FIU Global Learning graduation requirement.**

### **Course Syllabus - Spring 2021**

**Lecturer:** Andres Lozano, MSIRE  
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**Class date and time:** Wednesdays 5:00 – 7:40 PM  
**Classroom:** MANGO 222 / Zoom Meetings as applicable  
**Office Hours:** By appointment only

#### **Course Description:**

This course focuses on real estate investment in an international context. Topics covered include international market analysis for different types of real estate, risk identification and analysis, inbound and outbound transactions, legal and tax-specific considerations, global portfolio planning, financing and cultural issues. In addition, this class provides a review of real estate principles and practices focusing on international applications.

**Prerequisites:** REE 3043 or FIN 3403, see current catalog for additional information.

#### **Course Level Student Learning Outcomes:**

Develop an understanding of fundamentals, analytical tools, opportunities and challenges of real estate investment in an international context.

Upon completion of this course, you'll be able to

- Understand the fundamentals of commercial real estate markets domestically and internationally
- Apply qualitative and quantitative tools to analyze international real estate markets

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- Identify different domestic and international real estate investment strategies
- Evaluate different risks associated with international real estate investment and how to mitigate them
- Identify and evaluate different financing options for international real estate investments
- Understand international considerations and issues in the context of investments by end users
- Identify opportunities and risks of international real estate development
- Explain the role of international real estate in a portfolio context
- Understand cultural, legal and tax-specific differences between countries and regions with regards to real estate investments

You should be able to demonstrate your knowledge of the above by solving numerical problems, case studies and answering conceptual questions.

In addition to mastering the course content and discipline specific technical skills, the College of Business expects you to attain several key attributes which will provide graduates with a better foundation for working in businesses of the future. These general curricular skills include analytical and critical thinking skills, ethics and global thinking skills as well as information technology and communication skills. While all of these skills are important, this class particularly focuses on global analytical and critical thinking skills.

#### **Global Learning Course Outcomes:**

This course studies the ownership, transfer, and use of real estate in an international context. Issues addressed include, but are not limited to, valuation, brokerage, risk management, market analysis, investment and capital sources. The course is both descriptive and analytical in nature with the goal of developing a body of theoretical and applied knowledge. Selected examples are employed to demonstrate traditional U.S. practices and contrast them with real estate practices in various regions and countries. Students that complete this course successfully would be able to:

- Exhibit knowledge of the major cultural, economic, social, and legal environments faced by organizations in global markets.
- Develop multiple strategies for the challenges of doing business in a global environment.
- Demonstrate appropriate responses to global conditions and cultural diversity
- Assess the needs of and justify the advantages accruing from expanding into international markets

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**Readings:**

Andrew Baum and David Hartzell, Global Property Investment – Strategies, Structures, Decisions, Wiley-Blackwell, 1<sup>st</sup> Edition

**Calculator:**

You need a financial calculator for this course. I recommend the BAII Plus, however, you may use any calculator you want. Guides for the BAII Plus, HP21c and TI83/84/89 will be provided at the beginning of the semester.

**Method of Instruction:**

This course is conducted on a lecture and discussion basis. You are assigned readings and are expected to complete the readings outside of class. The instructor is expected to be prepared for class and the students should be prepared as well. A lively discussion of various topics in class is encouraged including current topics and various other items that may not coincide with that week's assigned reading. The goal is to not use class time to review reading that should be conducted outside class time. Your experiences and opinions are highly valued and add to the learning experience. Current real estate industry issues & examples will be discussed in class so that students can gain deeper insight into the practical application of theoretical concepts.

**Grading Criteria:**

<b><i>Quizzes:</i></b>	<b>5%</b>
<b><i>Case Study 1:</i></b>	<b>5%</b>
<b><i>Midterm Exam:</i></b>	<b>25%</b>
<b><i>Case Study 2:</i></b>	<b>5%</b>
<b><i>Case Study 3:</i></b>	<b>5%</b>
<b><i>Group project:</i></b>	<b>30%</b>
<b><i>Final Exam:</i></b>	<b>25%</b>
<b><i>Extra Credit:</i></b>	<b><i>Up to 5% as determined by professor, at his discretion based on participation and attendance and other soft variables</i></b>

***Group Project:*** A team of two (2-3) students will be tasked to identify real estate investment opportunities in a specific country for an institutional US investor. More information about the group project will be provided separately.

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**Exams:** Midterm and final exam take place in class and represent closed book exams with conceptual and quantitative questions (multiple choice and short answer format).

**Grades:** Students will be graded on a relative performance basis. I use the following scale:

GRADE	Points Per Credit Hour	Range
A	4.00	95-100
A-	3.67	90-94
B+	3.33	87-89
B	3.00	83-86
B-	2.67	80-82
C+	2.33	77-79
C	2.00	70-76
D	1.00	60-69
F	0.00	

**Attendance Policy:**

You are expected to attend class regularly. *Attendance is mandatory.* If you are unable to attend class due to work or family obligations, please let me know in advance so we can make alternative arrangements (e.g. lecture recording). You will be expected to pick up any missed handouts, assignments or return tests during office hours.

Veterans must comply with attendance standards set by the VA. Athletes must provide their list of class conflicts before their first absence.

If you have a disability and need assistance, please contact the Disability Resource Center (University Park: GC190; 305-348-5532) (North Campus: WUC139, 305-919-5345). Upon contact, the Disability Resource Center will review your request and contact your professors or other personnel to make arrangements for appropriate modification and/or assistance.

**Religious Holidays:**

The University's policy on religious holidays as stated in the University Catalog and Student Handbook will be followed in this class. Any student may request to be excused from class to observe a religious holy day of his or her faith.

**Assurance of Learning (AOL):**

The College of Business cares about the quality of your education. More on the College's commitment to Assurance of Learning can be found at the following link:  
[http://businessonline.fiu.edu/course\\_addons/Learning\\_Commitment.pdf](http://businessonline.fiu.edu/course_addons/Learning_Commitment.pdf).

**Expectations, Policies and Academic Misconduct:**

It is expected that interactive learning and teaching will enrich the learning experience of all students and each student will work in partnership with the professor to create a positive

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learning experience. Student engagement is a necessary condition for an effective learning experience, and includes contributions to debate and discussion, positive interactive learning with others, and an enthusiastic attitude towards inquiry. Everyone is expected to be a positive contributor to the class learning community, and students are expected to share the responsibility of teaching each other.

Every student must respect the right of all to have an equitable opportunity to learn and honestly demonstrate the quality of their learning. Therefore, all students must adhere to a standard of academic conduct, demonstrating respect for themselves, their fellow students, and the educational mission of the University. As a student taking this class:

- I will not represent someone else's work as my own
- I will not cheat, nor will I aid in another's cheating
- I will be honest in my academic endeavors
- I understand that if I am found responsible for academic misconduct, I will be subject to the academic misconduct procedures and sanctions as outlined in the Student Handbook.

Failure to adhere to the guidelines stated above may result in one of the following:

Expulsion: Permanent separation of the student from the University, preventing readmission to the institution. This sanction shall be reported on the student's transcript.

Suspension: Temporary separation of the student from the University for a specific period of time.

**Preferred Communication Channel in Case of Disruption of Campus Operations:**

In the event of class disruption preventing us from conducting in person classes we will default to zoom based instruction.

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**TENTATIVE WEEKLY SCHEDULE – MAY BE SUBJECT TO CHANGE**

Date	Topic	Readings	Guest Speaker	Assignments
Week 1 (01/13)	Introduction, Discussion of Syllabus; Why International Real Estate?	Syllabus, Chapter 15	N/A	
Week 2 (01/20)	Topics from week 1, The Fundamentals of Real Estate as Asset Class and Real Estate Markets	Chapter 1, 2; DiPasquale and Wheaton (1992; page 187-197)	N/A	Chapter 15 Quiz, Case study 1 (to be distributed in class), My Companies
Week 3 (01/27)	Take Ch. 1 & 2 quiz, discuss group project, assign teams	Chapter 1, 2, complete reading	N/A	Chapter 1 & 2 Quiz, Case study 2 (to be distributed in class)
Week 4 (02/03)	Residential Real Estate /Retail RE		Jonathan Rosen – JLL (pending confirmation)	
Week 5 (02/10)	Office Real Estate	Chapter 3	Marilyn Lozano - Bridge Investments	
Week 6 (02/17)	Real Estate Market Analysis & Valuation	Chapter 7	N/A	Chapter 3 Quiz
Week 7 (2/24)	Real Estate Valuation / Inequality for All	Midterm review hand out and study	N/A	
Week 8 (3/3)	Spring Break		N/A	
Week 9 (3/10)	Midterm Exam		N/A	
Week 10 (3/17)	Real Estate Investment	Chapter 4, 5, 6	N/A	
Week 11 (3/24)	Real Estate Debt Financing	Chapter 8, 9, 13	N/A	Group Projects Due (11:59pm)
Week 12 (3/31)	Case Study 3	To be distributed day of class	N/A	Presentations, Case Study 3 (to be distributed in class)
Week 13 (4/7)	Real Estate Debt Financing continued; Real Estate Equity Financing	Chapter 10, 11, 12	Marcos Minaya -CBRE	Presentations
Week 14 (4/14)	Real Estate Equity Financing continued		N/A	Presentations
Week 15 (4/21)	Real Estate Development and Service Providers; Final Exam Review		N/A	Presentations
Week 16 (4/28)	Final Exam		N/A	