



Business

FLORIDA INTERNATIONAL UNIVERSITY

REE4956: International Real Estate

Course Syllabus

Spring 2018

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Class date and time: Thursdays 5.00 – 7.40 PM
Classroom: Ziff Education Building 120
Office Hours: Thursdays 3.30 – 4.45pm or by appointment

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.

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

Course Level Student Learning Outcomes:

You will have 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 regard 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:

Upon completion of this course you will further be able

- To demonstrate knowledge of the interrelatedness of local, global, international, and intercultural issues, trends, and systems. (Global Awareness)
- To conduct a multi-perspective analysis of local, global, international, and intercultural problems. (Global Perspective)
- To demonstrate willingness to engage in local, global, international, and intercultural problem solving. (Global Engagement)

Curriculum Student Learning 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.

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Readings:

Andrew Baum and David Hartzell, Global Property Investment – Strategies, Structures, Decisions, Wiley-Blackwell, 1st 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. 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. Your experience 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:

Project:

40%

Midterm Exam:

30%

Final Exam (optional):

30%

Group Project:

The group project requires students to analyze and identify real estate investment opportunities in different cities for a specific real estate investor. More information about the project will be provided separately.

Exams:

The midterm exam takes place in class and represents a closed book exam with conceptual and quantitative questions (multiple choice and short answer format). The final exam is optional and a take home exam.

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

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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	< 59

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 returned 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; 305-348-3532) (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.

Expectations, Policies and Academic Misconduct:

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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 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 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 recorded on the student's transcript.

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

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TENTATIVE WEEKLY SCHEDULE – MAY BE SUBJECT TO CHANGE

Date	Topic	Readings	Assignments
Week 1 (01/11)	Introduction and Discussion of Syllabus; Why International Real Estate? Why not?	Syllabus, Chapter 15	
Week 2 (01/18)	The Fundamentals of Real Estate as Asset Class and Real Estate Markets	Chapter 1, 2; DiPasquale and Wheaton (1992, page 187-197)	
Week 3 (01/25)	Residential Real Estate		
Week 4 (02/01)	Retail Real Estate		
Week 5 (02/08)	Office Real Estate		
Week 6 (02/15)	Real Estate Market Analysis	Chapter 3	
Week 7 (02/22)	Real Estate Valuation	Chapter 7	
Week 8 (03/01)	Real Estate Investment	Chapter 4, 5, 6	
Week 9 (03/08)	Real Estate Debt Financing; Midterm Review	Chapter 8, 9, 13	
Week 10 (03/15)	<i>No Class – Spring Break</i>		
Week 11 (03/22)	<i>Midterm Exam</i>		
Week 12 (03/29)	Real Estate Equity Financing	Chapter 10, 11, 12	
Week 13 (04/05)	Real Estate Development and Service Providers		
Week 14 (04/12)	<i>No Class – Work on Project</i>		<i>Project Due at 11.59pm</i>
Week 15 (04/19)	Real Estate Portfolio Management		<i>Presentations</i>
Week 16 (04/26)	<i>Final Exam</i>		<i>Exam due at 11.59pm</i>

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