

# Faculty of Environmental Design University of Calgary

## EVDS 622 – Real Estate Development and Finance

<b>Course #:</b> EVDS 622 H(3-0) <b>Term:</b> Winter 2018	<b>Time:</b> Tues/Thurs, 11:00 am – 12:20 pm <b>Location:</b> PF 3160
<b>Instructor:</b> <b>Rylan Graham, M.A., RPP, MCIP</b> Sessional Instructor   PhD Candidate Faculty of Environmental Design (Planning) <a href="mailto:rylan.graham@ucalgary.ca">rylan.graham@ucalgary.ca</a> Office hours: by appointment	

## Introduction

This course focuses on the principles of real estate development and finance. It provides hands-on experience through real-world simulations and case studies. The goal is for students to gain a basic understanding of the planning process in real estate development, including private public partnerships, and development impacts. This course introduces the fundamental tools for conducting an economic and fiscal analysis of real estate proposals. Students will have an opportunity to develop a pro forma as part of a risk assessment.

## Objectives

At the end of this course students will:

- Differentiate between types and forms of development
- Understand the relationship between planning and real estate development
- Understand the role planners play in real estate development
- Understand the typical steps of the development process
- Understand the significance of finance in real estate development
- Understand the importance of data (i.e. demographic, economic) in assessing a project's feasibility
- Understand the factors that positively and negatively influence and impact real estate development

# Teaching Approach

Classes will be structured to include lectures from the course instructor and guest lecturers. Lectures will be supplemented with discussions, videos, or other complementary media.

Students are expected to be active and key contributors to all aspects of each class. You can best prepare yourself by having completed any assigned readings and coming to class eager and ready to participate.

# Topics and Class Schedule

The topics that we will explore over this semester are listed below. This schedule may change at the discretion of the instructor.

Week	Date	Lecture
1	January 9, 2018 January 11, 2018	Class introductions; Overview of Syllabus; Introduction to Real Estate Development
2	January 16, 2018 January 18, 2018	History of Real Estate Development in Canada
3	January 23, 2018 January 25, 2018	Characterizing Developers Stakeholders in the Development Process
4	January 30, 2018 February 1, 2018	The Role of the Public Sector in Development
5	February 6, 2018 February 8, 2018	Developing a Project Concept Differentiating Development Types/Forms
6	February 13, 2018 February 15, 2018	Financing of Real Estate Development Financing of Real Estate Development
7	February 20, 2018 February 22, 2018	<b>Block Week – No Classes</b> <b>Block Week – No Classes</b>
8	February 27, 2018 March 1, 2018	Financing of Real Estate Development Financing of Real Estate Development
9	March 6, 2018 March 8, 2018	Proving the Project Concept
10	March 13, 2018 March 15, 2018	Urban Design and Development Marketing and Sales in Development
11	March 20, 2018 March 22, 2018	Future Trends in Real Estate Development
12	March 27, 2018 March 29, 2018	Student Presentations Student Presentations
13	April 3, 2018 April 5, 2018	Student Presentations Student Presentations
14	April 10, 2018 April 12, 2018	Course Wrap Up Final Exam

# Assignments and Evaluation

Final course grades will be determined based on the evaluation of the following:

<b>Assignment</b>	<b>Weight of Total Grade</b>	<b>Due Date</b>
Detailed Development Presentation	15%	As per schedule
Development Inception and Market Analysis	20%	February 15, 2018
Detailed Development Proposal	35%	March 27, 2018
Final Exam	30%	April 12, 2018

## **Development Inception and Market Analysis (20%)**

The three written assignments (i.e. not including the final exam) are interconnected, with each assignment building off of and leading into the next. Students are permitted to work individually or in pairs for all three assignments.

Assignment #1 encompasses the initial steps in the development process.

Your first task is to choose a parcel of land within the Calgary context that offers the potential for development/redevelopment. You will present contextual information about the history and current conditions of the site. Furthermore, you will formulate a concept for redevelopment of this site, including the proposed uses and subsequent form.

The second task in this assignment is to conduct market research in order to justify the merits of your project concept (i.e. what information and data validates your proposal). This should include a robust analysis of national, provincial, and local trends. This includes but is not limited to understanding economic growth, population changes, employment figures, traffic counts, vacancy rates, and consumer preferences. Students are not expected to conduct market research, but instead should draw upon credible sources in order to profile and characterize the relevant markets.

This assignment provides an opportunity for students to prepare a development proposal. In addition, students will become familiar with the types of data that are used to support and rationalize development.

This assignment should be approximately 2,500 words excluding figures, graphs, tables, citations, or other like information.

### **Detailed Development Proposal (35%)**

Assignment #2 synthesizes the relevant information in order to demonstrate the viability of the proposed development. This information is ultimately used to determine the feasibility of a project.

The assignment should include but is not limited to the following components:

- Executive Summary
- Maps/photographs of the subject site and surrounding context
- Description of proposed development
- Renderings/images of the proposed development
- Key stakeholders and their roles
- Municipal policy and zoning considerations
- Revenue and operating cost projections
- Development schedule
- Go/No Go decision
- Next steps

This assignment should be approximately 5,000 words excluding figures, graphs, tables, citations, or like information.

### **Detailed Development Presentation (15%)**

Students will prepare a presentation (30 minutes in length) synthesizing the details and outcomes of the *Detailed Development Proposal*.

Students should present as if they are pitching their idea to an audience of potential investors. The presentation will include a period for questions and conclude with a recommendation as to whether investors should proceed or abandon the proposed development.

### **Final Exam (30%)**

Students will complete an in-class final exam. You will be tested on your knowledge of the course content covered during lectures as well as any assigned readings.

The exam is likely to include a combination of short-answer and essay format questions. Students will not be permitted to bring any written materials into the examination room.

## Grading Scale

Grade	Grade Point Value	4-Point Range	Percent	Description
A+	4.00	4.00	95-100	Outstanding - evaluated by instructor
A	4.00	3.85-4.00	90-94.99	Excellent - superior performance showing comprehensive understanding of the subject matter
A-	3.70	3.50-3.84	85-89.99	Very good performance
B+	3.30	3.15-3.49	80-84.99	Good performance
B	3.00	2.85-3.14	75-79.99	Satisfactory performance
B-	2.70	2.50-2.84	70-74.99	Minimum pass for students in the Faculty of Graduate Studies
C+	2.30	2.15-2.49	65-69.99	All final grades below B- are indicative of failure at the graduate level and cannot be counted toward Faculty of Graduate Studies course requirements.
C	2.00	1.85-2.14	60-64.99	
C-	1.70	1.50-1.84	55-59.99	
D+	1.30	1.15-1.49	50-54.99	
D	1.00	0.50-1.14	45-49.99	
F	0.00	0-0.49	0-44.99	

Notes:

A student who receives a "C+" or lower in any one course will be required to withdraw regardless of their grade point average (GPA) unless the program recommends otherwise. If the program permits the student to retake a failed course, the second grade will replace the initial grade in the calculation of the GPA, and both grades will appear on the transcript.

Assignments will be evaluated using the grading scale above and are to be submitted on time as per the respective due date. Assignments are to be submitted electronically in PDF format by 11:59 pm of the same day to the relevant dropbox folder hosted on Desire2Learn. Late assignments will be subject to a penalty of 5% per day.

Group work will be evaluated collectively with each member receiving an equivalent grade. If problems arise with respect to group dynamics this should be discussed with the instructor and teaching assistant

immediately. Where it has been identified that not all group members have contributed equally towards the work, students may be evaluated individually.

## Readings

There is no required or assigned textbook for this course. A list of the assigned readings can be found on Desire2Learn. All readings will be hosted on Desire2Learn.

### Notes:

1. Written work, term assignments and other course related work may only be submitted by e-mail if prior permission to do so has been obtained from the course instructor. Submissions must come from an official University of Calgary (ucalgary) email account.
2. Academic Accommodations. Students who require an accommodation in relation to their coursework or to fulfill requirements for a graduate degree, based on a protected ground other than disability, should communicate this need, preferably in writing, to their Instructor or the designated contact person in EVDS, Jennifer Taillefer ([jtaillef@ucalgary.ca](mailto:jtaillef@ucalgary.ca)). Students who require an accommodation unrelated to their coursework or the requirements for a graduate degree, based on a protected ground other than disability, should communicate this need, preferably in writing, to the Vice-Provost (Student Experience). For additional information on support services and accommodations for students with disabilities, visit [www.ucalgary.ca/access/](http://www.ucalgary.ca/access/)
3. Plagiarism - Plagiarism involves submitting or presenting work in a course as if it were the student's own work done expressly for that particular course when, in fact, it is not. Most commonly plagiarism exists when:(a) the work submitted or presented was done, in whole or in part, by an individual other than the one submitting or presenting the work (this includes having another impersonate the student or otherwise substituting the work of another for one's own in an examination or test),(b) parts of the work are taken from another source without reference to the original author,(c) the whole work (e.g., an essay) is copied from another source, and/or,(d) a student submits or presents work in one course which has also been submitted in another course(although it may be completely original with that student) without the knowledge of or prior agreement of the instructor involved. While it is recognized that scholarly work often involves reference to the ideas, data and conclusions of other scholars, intellectual honesty requires that such references be explicitly and clearly noted. Plagiarism is an extremely serious academic offence. It is recognized that clause (d) does not prevent a graduate student incorporating work previously done by him or her in a thesis. Any suspicion of plagiarism will be reported to the Dean, and dealt with as per the regulations in the University of Calgary Graduate Calendar.
4. Information regarding the Freedom of Information and Protection of Privacy Act (<http://www.ucalgary.ca/secretariat/privacy>) and how this impacts the receipt and delivery of course material
5. Emergency Evacuation/Assembly Points (<http://www.ucalgary.ca/emergencyplan/assemblypoints>)
6. Safewalk information (<http://www.ucalgary.ca/security/safewalk>)
7. Contact Info for: Student Union (<https://www.su.ucalgary.ca/contact/>); Graduate Student representative (<http://www.ucalgary.ca/gsa/>) and Student Ombudsman's Office (<http://www.ucalgary.ca/ombuds/>).