

Case 11: Real Estate Investments

The company "Real Estate Invest" plans to purchase commercial real estate for subsequent rental. They want to assess the risks and potential returns of this project.

Questions:

1. What risks may be associated with investing in commercial real estate?
2. What factors should be considered when assessing the return on investment in real estate?
3. What risk management strategies can the Real Estate Invest company use when investing in real estate?