



BUSINESS SCHOOL

Course Outline 2017
PROPERTY 261: PROPERTY ECONOMICS (15 POINTS)
Semester 2 (1175)

Course Prescription

The supply and demand characteristics of urban developments have impacts on not only the price and availability of property, but on how we live and work. An understanding of development economics, urban policy and land-use economics will provide students with knowledge of how the decisions of property professionals, policy makers, and occupiers interact to shape the built environment.

Programme and Course Advice

Prerequisite: PROPERTY 102 OR ECON 101 or 191

The course is designed for students that have elementary knowledge of microeconomics (i.e. supply/demand curves) and a cursory knowledge of the macroeconomy (i.e. indicators like GDP used to describe economies). This course favours diagrammatic/conceptual models & historical experience over mathematical/statistical models. The few mathematical models in this course will be constrained to basic algebraic techniques. Knowledge of differential equations or matrix algebra is not required.

Goals of the Course

This course provides students with an introduction to key conceptual models of urban land-use, including examples of their application in the context of property development, private housing, social housing, planning, and environmental sustainability. Key property sectors are examined (Industrial, Commercial, and Residential) using local and international examples.

In addition, this course develops critical reading comprehension and critical writing skills as part of the major essay assignment. These skills are currently top of the wishlist when the property department solicits advice from industry on what is needed in the workplace.

Learning Outcomes

By the end of this course, it is expected that the student will be able to:

1. critically apply urban economic theory to property issues using written communication;
2. apply economic theory to a wide range of property contexts;
3. outline and critically evaluate residential, industrial, and retail location theories;
4. account for housing tenure dynamics both nationally and internationally;
5. evaluate the role of government and public policy in urban property markets; and
6. critically consume and evaluate local market analysis reports.

Learning and Teaching

The anticipated class size should not exceed 120 students. The class will meet for three hours each week (yes, the scheduling gods were rather mean this year... but I promise to make it interesting!). Class time will be used for a combination of lectures, workshops and applied discussions. In addition to attending classes, students should prepare to spend about another six hours per week on activities related to this course. These activities include carrying out the required readings, preparing assignments and revising for the final exam.

My lecture sessions will be recorded. Guest lecturer sessions & workshops are recorded only with approval of the guest/presenter, usually with no advance announcement.

Teaching Staff

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Content Outline

This course begins with theoretical models of urban land economics, transitions into their application to particular real estate contexts, and concludes with an introduction to the practical application of urban economics in a real estate market analysis context.

The following table is a general outline of the topics covered each week, and is subject to change as the course progresses. Any changes will be notified on Canvas.

Week	Week Beginning	Topics
1	24 July	Wed: Property Processes and the City: An Introduction Thu/Fri: Supply and Demand Models for Property Space and Assets
2	31 July	Classical Urban Land-Use Theories
3	7 Aug	Industrial Location Theory
4	14 Aug	Wed/Thu: Retail Location Theory Fri: Assignment Introduction
5	21 Aug	Assignment Workshop: Critical Reading & Argumentation
6	28 Aug	Assignment Workshop: Critical Writing (Guest Moderator)
Mid-Semester Break		
7	18 Sep	Property Development, Redevelopment & Rehabilitation
8	25 Sep	**ASSIGNMENT DUE Monday 25 September @ 10 AM** Housing Economics
9	2 Oct	Town Planning Economics
10	9 Oct	State Housing (Guest Lecturer) and Environmental Urban Economics
11	16 Oct	From Theory to Practice: Property Market Analysis
12	23 Oct	Wed/Thu: Market Analysis Case Study (Guest Lecturer), Property Data Fri: Course Review & Exam Preparation

Learning Resources

A Course Book contains all the required readings to accompany the lectures. It is not mandatory to purchase the course book. All readings will also be in digital form on Canvas. Lecture slides will be only available on Canvas.

There is no one textbook that covers the entire content of this course.

Recommended texts for alternate study, many of which are cited in the lecture material, are:

Balchin, P., Isaac, D. and Chen, J. (2000) *Urban Economics: A Global Perspective*, Palgrave, Basingstoke (UK).

Fanning, S.F. (2005) *Market Analysis for Real Estate: Concepts and Applications in Valuation and Highest and Best Use*, Appraisal Institute, Chicago (Very U.S.- and valuation-centric, but provides numerous examples of market analysis in practice)

Geltner, D.M., Miller, N.G., Clayton, J. and Eichholtz, P. (2014) *Commercial Real Estate: Analysis and Investments*. Oncourse Learning, Mason, OH (USA), pp. 1-121. (This a text predominantly dedicated to property investment and finance, but the first 6 chapters cover urban economic theory and property market analysis)

Harvey, J. and Jowsey, E. (2003) *Urban Land Economics* Palgrave, Basingstoke. (Earlier editions by Harvey cover similar material as does the latest edition by Jowsey, E. (2013) *Real Estate Economics*, Palgrave.)

O'Sullivan, A. (2009) *Urban Economics*, McGraw-Hill.

Pirounakis, N. (2013) *Real Estate Economics: A point-to-point handbook*, Routledge, London. (This book provides a mathematical analysis of several of the topics covered in this course and should be viewed as an additional, rather than core, reference).

Assessment

Individual Assignment: Essay	30%
In-Class Activities	15%
Peer Essay Grading	5%
Final Exam (2 hours, covering entire course)	50%
Total	<hr/> 100%

Further details on the assessments will be provided at our first lecture.

The broad relationship between these assessments and the course learning outcomes is as follows:

Due Date	Type	Weighting	Learning Outcomes Addressed
Various	In Class Activities, including <ul style="list-style-type: none">• Week 6 writing workshop sample [5%]• Quiz tournaments & Slido questions [10%]	15%	1,2,3,4,5,6
25th Sep (10 am)	Assignment Essay (1,500 words)	30%	1,4,5
9 Oct (10 am)	Peer Essay Grading	5%	2,3
TBA	Exam	50%	1,2,3,4,5,6

(Note: The details set out in this handout are subject to change. Any changes will be notified in lectures and on Canvas)

Inclusive Learning

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the lecturer.

Student Feedback

Past students have recommended more continuous assessment and less emphasis on the essay assignment, so this year marks will be awarded for performance in various in-class activities at the expense of the essay. These activities will consist of the popular in-class quiz tournaments from last year as well as a new application, Slido, being tested to “stump the lecturer” with questions on the content during lecture.

Many students find the essay demanding. Critical writing (and reading) is an essential skill that will define your career and not one most students use recreationally. This course is one of the last times you can practice your writing skills in a safe, encouraging environment. Based on my reflection with last year’s cohort, what makes the essay demanding is (1) procrastination [to offset this I present students with a series of explicit milestones/dates during the Assignment Introduction Lecture], and (2) poor reading comprehension skills.

To prepare your critical reading & writing skills, the next time you read an interesting opinion article on the web or newspaper, seek out the *primary source* (i.e. the report/book/plan/etc. that is being discussed), read (or skim if it’s long) *the primary source*, and write a 500 word “blog post” of your own opinion. Do not allow the opinion writer’s opinion to direct or guide *your* thinking. Share your post with friends - or even with me! You’ll be surprised how putting your thoughts on paper makes your thinking more robust and logical.

In the Event of an Unexpected Disruption

We undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies. In the event of a disruption, the University and your course coordinators will make every effort to provide you with up to date information via canvas and the university web site.