

MGT 3082/6082: Fundamentals of Real Estate Development

Spring 2014 SYLLABUS

Revised 3.26.14

Monday/Wednesday 3:05 PM – 4:25PM

CoM Room 202

Instructor:

Barry Branch, Robert Ledbetter Professor of the Practice of Real Estate Development.

Office: 4159 / 423E.

Office Hours: Students are encouraged to arrange a time to visit on Mondays and Wednesdays between 9:00 and 2:00 if they would like to discuss this courser or explore job opportunities/careers in real estate. Please schedule a time to discuss options regarding job opportunities as early in the semester as possible.

Best Way to Contact Me: On my cell phone at 678-296-8549 or by email at bbranch@branch-shelton.com with a copy to barry.branch@scheller.gatech.edu.

"Real estate represents the largest asset class in the world."

*"Two thirds of the buildings needed in the US in 2050 have **not** been built." - Urban Land Institute*

1. Objectives:

This course is designed to give students **a multidisciplinary overview of the development process** from concept (the development of an idea or vision) through design, financing, construction, completion and marketing to the on-going management and ultimate sale or transfer of ownership from the developer to a long term investor or user or its retention and refinancing by the developer. As a survey course, we will go into each element of this process but not into every element in detail.

Successful real estate **developers are true entrepreneurs**. Each project is like a new start-up.

We will delve into **how the rapidly changing built environment will look and be developed**. This is essential in developing a "point of view" about the world of the future. You must **understand the main drivers of change**, the critical issues that must be solved, the changing nature of development teams and the leadership skills that a developer must master.

Technology innovations, demographic changes, the impact of a global economy and changes in the real estate capital markets will be key elements for exploration.

Every product type will be discussed, including residential, office, retail, mixed use, industrial, hotels, educational facilities, research and development facilities and healthcare facilities.

There will be a focus on the history of development, new urbanism and new suburbanism and the **modifications that must be made to make our urban and suburban communities more livable**, including the creation of suburban cores similar to those in urban environments. In this connection we will explore adaptive reuse, environmental issues, sustainability and how to work effectively with regulatory authorities, neighborhood associations and other groups that may be affected by a proposed project.

You will be introduced to **the real estate capital markets** and the significant changes that are occurring as a result of the Great Recession, including the increasing importance of public/private joint ventures and governmental entitlement and incentive programs.

2. Structure:

This course will be taught in a lecture format with a number of outside speakers. There will be a major Urban Land Institute (ULI) case study over 6 class sessions before the Spring Break; another case study over five sessions after Spring Break; and a final exam, which may be in the form of a single individual case study, several essay questions and/or multiple choice questions

The exact timing of each of these events other than the final exam will be determined by the timing of the guest lectures and the ULI case study. The Schedule and Syllabus, as well as all revisions, will be available through T-Square. I will discuss any changes in class if and as they occur.

Being part of a major technology research institution gives us a unique opportunity to explore emerging technologies and the role they play in real estate development. We will focus on trends that need to be understood to form a “point of view” regarding the next generation of projects. Being able to clearly and concisely present your “point of view” will be critical and this class will provide abundant opportunities to practice this skill.

We will not use a textbook in this class; therefore, you will need to pay particular attention to the lectures and the case studies. You may have reading assignments from industry publications, current articles, economic reports and other sources. **However, because real estate development is changing so rapidly, the lectures and case studies will be the most important source of information.** Whenever possible I will provide PowerPoint outlines of my lectures and those of the outside speakers in T-Square; however, this will not always be possible because some outside lecturers will not use PowerPoint presentations. Therefore, you will need to attend the classes and pay close attention to each lecture and ask questions during the Q and A sessions.

You will be challenged to process what you hear and read to answer questions such as “What does this mean in the real world today?”, “What will it mean in the future?”, “How will it affect my life?”, “Is this part of a bigger trend?” and “What is driving this change?”

For case studies students will be organized into small working groups of 6 to 7 students. A critical element in grading the case studies will be how the groups perform **and** how each individual student contributes to the team (positively and negatively). **80%** of your grades will be based on your team’s PowerPoint or written presentations and on your oral presentations; **10%** will be based on **Peer**

Reviews, which are to be taken very seriously and are to be as objective as possible, and **10%** will be based on the third party judges' or my assessment of your individual contribution.

3. Ground Rules:

This course is about the business of real estate development and will be **conducted in a businesslike manner**. To facilitate the learning experience, classes will be conducted using ground rules that would be appropriate for a business meeting:

- **Dress appropriately.** We will be having numerous guest speakers who are leaders in this industry and we need to show them proper respect. This is also a chance to meet industry leaders and first impressions can be critical.
 - **Speak to be heard.** This will be an interactive class and it is important that everyone be able to hear you. Please let me know if you cannot understand what is being said.
 - **To facilitate interaction, fill the seats from the front to the back** – ideally the back rows will be vacant. **Sit in the same seat for each class.**
 - **Pay attention and be respectful.** If your mind is wandering or you are getting drowsy please excuse yourself for a few minutes to get refocused. Putting your head down on your desk is not the way to reset!
 - **Participate.** One of the best pieces of advice for success in business is *“show up on time dressed to play”*. Playing the game vs. watching the game is what sets successful business people apart. Business is a full contact sport. This is the best way for others to get to know you. This class is a great time for you to practice being fully engaged and an active participant. **Your participation** **our participation and your attendance will count 10% on your final grade.**
 - **The lectures will not be as effective if you do not ask questions and interact with the speakers nor will it be as beneficial for you or your classmates.**
 - **Computers and PDAs must be closed.** Guest speakers have repeatedly commented on how disrespectful it is to have students engaged with their computers and not paying attention. They are also a distraction for other students. Computers and PDAs must remain off except when required as part of an exercise or program.
 - **Resumes.** Every student will be required to provide me with an updated resume no later than the third class with their picture included. This is one of the best ways for me to get to know you, particularly in a large class.
 - **Tent cards** will be required from each student with your name **clearly printed in the largest font possible** and with an indication in the corner of whether you are an undergraduate (UN) or a graduate (GRAD) student. These tent cards need to be placed so that they are easy to read. They will be available at the end of the first class.
 - **Attendance and participation is extremely important.** Remember the importance of “showing up on time, dressed to play”. Let your Professor or the Teaching Assistant know in advance by email if you have an unavoidable conflict.
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- **Unapproved absences** will impact the participation portion of your grade.
 - **Seating chart.** I will use a seating chart, tent cards and/or your resumes **to track attendance and individual participation.**
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Graduate Students: This class will contain both graduate and undergraduate students. The **graduate students will be held to a higher standard** than the undergraduate students. **They also will be given an additional Question on the Final Exam that will not be given to the undergraduate students.**

GRADING GUIDE –As is noted above, graduate students will be held to a higher standard than undergraduates.

1. Participation (10%):

Participation is critically important and will be composed of participation in class, Peer Reviews in case studies and attendance.

A. **Attendance:** I will use the seating chart to track your attendance

A= 1 unexcused absence.

B= 2 unexcused absences.

C= 3 unexcused absences.

D= More than 3 unexcused absences.

B. **Participation:** This is a critical element of this course.

A= Frequent participation - asks and answers questions, actively participates in case studies, and demonstrates interest by being prepared, attentive and engaged in class.

B= Active participation

C= Interested but a non participant

D= Disinterested and a non participant

2. The ULI Case Study (45%).

3. The Separate Case Study (30%).

4. The Final Exam. (15%).

Academic Honesty: This class will abide by the Georgia Tech Honor Code. The complete text of the Honor Code is available at www.honor.gatech.edu

Changes to the Syllabus: The syllabus is subject to change during the semester. These changes will be discussed in class and posted in T-Square.

The Course Schedule will Change. The class schedule will change as third party speakers commit to specific dates and the dates for the ULI case study and the other case studies are finalized. The class will be notified of all changes and they will be posted in T-Square.
