LDEV 669 – Income Property Land Development

This course provides an understanding of real estate development, focusing on various asset classes, financial structures, and market strategies. Through lectures, case studies, and industry guest speakers, class topics explored development projects from acquisition to asset management of income producing properties. The curriculum helps develop skills in financial modeling, deal structuring, asset management, land acquisition, development, and investment. The course also includes required learning modules through Udemy courses and hands-on financial modeling. Key learning objectives include:

* **Understand Real Estate Development Fundamentals**: Gain an understanding of asset classes, income property structures, and the overall development process.
* **Financial Structures and Strategies**: Learn to differentiate between capital structures such as debt, equity, and mezzanine financing, and understand their application in real estate development projects.
* **Perform Financial Valuation and Analysis**: Develop skills in calculating key metrics like Net Operating Income (NOI), yield-to-cost, cap rates, and loan-to-value, and apply them to evaluate property investments.
* **Analyze the Impact of Interest Rates**: Learn the significance of interest rates, bond treasuries, and lender risk spreads in real estate financing, as well as tools like interest rate caps and swaps.
* **Examine Asset-Specific Development**: Understand the unique characteristics and development processes of multi-family, office, hotel, and industrial asset classes through case studies and financial models.
* **Master Waterfall Modeling and Profit Distribution**: Understand the distribution of profits, equity multiples, and waterfall structures in real estate development deals, with a focus on return metrics like IRR and NPV.
* **Gain Insight from Industry Experts**: Benefit from guest lectures to learn about industry trends, challenges, and best practices from real estate professionals.
* **Develop Asset Exit Strategies**: Evaluate various exit strategies, asset reversion and how to manage the final stages of a development project effectively.

Attached is an example waterfall irr schedule built and reviewed in class.

Photo Source: https://www.mashvisor.com/blog/what-best-income-property-looks-like/