



## The Leon Recanati Graduate School of Business Administration

# Project: International Real Estate – 1231-7310

### Prerequisites:

Completion of the following courses:

1. Foundations of Finance ("Yesodot Ha'Mimun")
2. Economics for Business Administration ("Calcalat Asakim")

**Important note:** During the first half of the semester, the course will be held on Monday of each week. During the second half of the semester, the course will be held on Tuesday of each week.

Section	Day	Hour	Lecturer	Email	Telephone	Office
	Monday or Tuesday	15:45- 18:30	Prof. Danny Ben-Shahar  Idan Golomb	bdanny@tauex.tau.ac.il  golomb.idan@gmail.com	036409957  0525702525	420

**Office Hours:** By appointment.

## Course Units

2 course units = 8 ECTS units

The ECTS (European Credit Transfer and Accumulation System) is a framework defined by the European Commission to allow for unified recognition of student academic achievements from different countries.

## Course Description

The course objective is to provide understanding of the various aspects of real estate theory and practice as applied to the North American and, specifically, the Canadian real estate market. The course provides a real-life learning experience of the Canadian market including the financial, legal, development, and business aspect along with government policy and regulations in both the private and public sectors. The course includes academic and professional lectures, site tours, case presentations by bankers, brokers, real estate developers, pension planners, REIT managers, and lawyers. The core part of the course includes an intensive one-week field trip of the real estate market in Toronto – one of the world leading and most rapidly growing real estate markets. The Toronto field trip includes tours and meetings with major real estate players of the Canadian real estate market (other than a modest commitment fee, all expenses of the field trip are covered by the Alrov Institute for Real Estate Research at the Coller School of Management with the generous donation of David and Galia Feiler). A series of lectures are held in Israel prior to the field trip. In those class meetings, students study the concepts related to North American real estate business. Student also study

and actively present the companies to be visited in Toronto. In addition, students submit a final project report that includes an analysis of a proposed real estate project or subject, applying the knowledge and tools acquired during the course. Students present and discuss their projects in class.

### **Covid-19:**

Due to the Covid-19 pandemic, students who wish to participate in this course are required to be fully vaccinated. The Field trip will be held based on the availability of global traveling (due to Covid-19 Pandemic). In case that there are restrictions on global traveling at the time of the field trip that prevent the delegation from traveling to Canada, the course will proceed without the field trip and meetings with Canadian real estate market players will be held via zoom. **Among others, a necessary condition for participating in this course is fluency in English and active participation in all class meetings. All lectures are delivered in English.**

## **Course Objectives**

Upon completion of the course, the student will:

- Understand and be able to analyze real estate transactions with particular focus on the real-world practices of the Canadian and North American real estate market.
- Understand the various aspects and steps of real estate market investment process including deal analysis, financing strategies, and legal aspects.
- Be able to assess the major differences between the Canadian and Israeli real estate markets.
- Be able to write a comparative/analytic report on a major real estate issue, assessing local and global markets.

## **Evaluation of Student and Composition of Grade**

<b>Percentage</b>	<b>Assignment</b>	<b>Date</b>	<b>Group Size/Comments</b>
30%	Active Class Participation including weekly assignments		Individual
10%	Final Project Presentation	Following the field trip	Groups of two students
60%	Final project report	Submission of the final project report will be no later than July 4, 2022.	Groups of two students

\* According to University regulations, participation in all classes of a course is mandatory (Article 5).

\* Students who miss class or do not actively participate in class may be removed from the course at the discretion of the lecturers.

## **Course Assignments**

### Project report:

1. Students will submit the final report in groups of two students.
2. Final project must include one of the following alternative topics:
  - Real Estate Investment Analysis – preparation of an investment memo analyzing specific property, its local market, business plan, and SWOT analysis;
  - Comparative work on a real estate related topic – comparing between a selected international real estate market and the Israeli real estate market, including policy recommendation;
  - An empirical study based on data from an international real estate market;
  - Business plan introducing a newly disruptive product / technology which will impact the real estate world.
7. Students will submit their final project no later than June 27, 2022.
8. The report should consist of up to 10 printed pages (1.5-space, font Time-New-Roman, size 11 or 12, margins no less than 2cm). Appendices (not included in page count) may include computations, tables, graphs, clarifications, etc. All appendix material should be referred to in the main text.

### Grading Policy

No grading policy.

### Evaluation of the Course by Student

Following completion of the course students will participate in a teaching survey to evaluate the instructor and the course, to provide feedback for the benefit of the students, the teachers, and the university.

### Course Site (Moodle)

The course site will be the primary tool to communicate messages and material to students. Student should check the course site regularly for information on classes, assignments and exams. Course material will be available on the course site. Please note that topics that are not covered in the course material but are discussed in class are considered as integrated part of the course and may be tested in examinations.

### Course Outline\*

Week	Date	Content	Topics	Submissions
1	27.2.2023	Introduction to the Real Estate Project Course  Introduction to real estate investment space	<ul style="list-style-type: none"><li>- Course overview, outline of course topics to be discussed, and course requirements.</li><li>- Final Project guidelines.</li><li>- Overview of international RE investments fundamentals (asset types, classes, geographies, investments vehicles, GP/LP model and general fees' models, Risk strategies, additional core definitions and aspects [NOI,</li></ul>	

			<p>COC, ROI, Capex, IRR, Rent Roll, WAULT, TI, asset management, property management, etc.]).</p> <ul style="list-style-type: none"> <li>- Real Estate valuation definitions: Market Comparison, Income Approach, Expense Approach.</li> </ul>	
2	6.3.2023	<p>Introduction to real estate investment space (continued)</p> <p>Real estate Investment analysis and fundamentals</p>	<ul style="list-style-type: none"> <li>- Introduction to real estate investment space (continued)</li> <li>- Core analysis aspects for office and multifamily asset types (property, market, business plan, and expectations).</li> <li>- Market studies – major advisory and brokerage firms, free / for pay information sources.</li> </ul>	
3	13.3.2023	<p>Real estate Investment analysis and fundamentals (continued)</p> <p>Overview of Canadian real estate market and case study(ies) of Canadian investment(s)</p>	<ul style="list-style-type: none"> <li>- Discussion of academic paper</li> <li>- RE Investment analysis and fundamentals (continued)</li> <li>- Overview of Canadian geopolitical and economic real estate market.</li> <li>- Case study / studies</li> </ul>	One-pager summarizing the academic paper and discussing the analysis
4	20.3.2023	<p>Overview of Canadian real estate market and case study(ies) of Canadian investment(s) (continued)</p>		Students are required to submit their final project topic
5	27.3.2023	<p>Institutional landscape</p>	<ul style="list-style-type: none"> <li>- Discussion of academic paper</li> <li>- International real estate Institutional landscape and Israel's position (type of global investors, type of global managers, international real estate</li> </ul>	One-pager summarizing the academic paper and discussing the analysis

			investment unite activity – sourcing, execution and asset management). - Guest Speaker *	
6	3.4.2023	Final Project Meeting	Each group holds a short meeting with lecturers to discuss the aspects of their final project	-
	10.4.23		Passover	
7	17.4.2023		Completion of previous topics  Guest Speaker TBD*	Student come to class with business attire.
	24.4.2023		- Erev Yom Hazikaron (no class meeting)	
8	2.5.2023	Final preparation toward the field trip	- Final preparation for the field trip  Student presentations regarding companies that will be visited during the field trip	Students individually present a brief summary of the companies that will be visited during the field-trip.
	6–12 .5.2023	Field Trip	- Field Trip to Toronto	
9	16.5.2023		- No class meeting	
10	23.5.2023		- Summary of the Toronto field-trip  - Optional group meetings with lectures regarding final projects	
11	30.5.2023		No class meeting	
12	6.6.2023	Course Summary	- No class meeting.	
13	13.6.2023	Final Project presentations	Students present their final projects	In-class presentation of final project  The final project is to be submitted no later than June 27, 2023

\*Subject to changes

## Required Reading

- Geltner, D.M., N.G. Miller, J. Clayton, and P. Eichholtz, 2007. *Commercial Real Estate Analysis & Investments*. South-Western Educational Publishing, 2nd edition.
- Brueggeman, W., and J. Fisher, 2010. *Real Estate Finance & Investments*. McGraw-Hill Education, 14th edition
- Pavlov, A., and T. Somerville, 2020. Immigration, Capital Flows and Housing Prices. *Real Estate Economics*, 48(3):915–949.
- Tyndall, J., 2021. Getting High and Low Prices: Marijuana Dispensaries and Home Values, 49(4):1093–1119.

## Recommended Reading

To be provided during the course.