General Info: This class is recommended to anyone who is interested in some aspect of real estate development. The course follows the development process from an entrepreneurial and “deal making” point-of-view. Course topics include market analysis, site selection, project budgeting/financial analysis, land acquisition, marketing and leasing, joint ventures, financing, design and construction management, and dispositions.

Course Objectives: Students will:

- Understand and be able to explain the various components of the real estate development process
- Perform a market analysis
- Understand site selection and analysis
- Determine the highest and best uses for site development opportunities
- Create and utilize a development proforma for investment decisions
- Understand the business deal points of joint venture agreements, lease agreements, and loan agreements
- Understand the organization and management of a development project team
- Create a development project investment offering memorandum

Textbook: *Real Estate Development: Principles and Process*, 4th Edition, by Mike Miles, Gayle Berens, et. al. is the required text for the course. I will provide weekly reading guides to assist you in understanding which points I feel deserve the most attention. This text is available in the bookstore and can also be ordered online at [www.uli.org](http://www.uli.org)
Attendance and Participation: Attendance and in-person class participation are mandatory. Active class participation will increase your learning experience and will benefit others, including me. This portion of the class makes up 5% of your grade. **If you miss more than two (2) in-person classes, no credit will be awarded for in-class attendance and participation.**

You are expected to come to class prepared to participate. This means you must complete the assignments and required readings **before class.**

Blackboard Learn: The University of Houston’s Blackboard Learn System will be an important communication link for students in this class. I will post announcements to reflect schedule changes, articles, and other resources for your use. A mobile application is also available for smartphone users.

Exams: There will be one final exam given during the assigned time as listed in the university final exam schedule. The exam will be comprehensive.

Course Project: The course project is a critical component to the course. It will give you the experience with a current real estate project in the Houston market. It will provide you with the opportunity to apply all of the skills and knowledge learned in this course.

The course project will be executed by teams of 3-4 students, assigned by the instructor. The course project will consist of writing and presenting an equity financing offering memorandum for a real commercial project in Houston. At the end of the course, each team will submit a written copy of the offering memorandum, as well as present its contents to an investment committee looking to place equity capital in a real estate development.

More information on the course project will be provided during the first three (3) class sessions.

UH Writing Center: The UH Writing Center is available to provide assistance with writing, and I encourage teams to take drafts of their course project to the center for feedback. As noted below in the Submission Formatting section, assignments that are turned in with multiple grammar, spelling, and punctuation errors will see their grades affected. In business, you are judged by your ability to communicate and write effectively.

Submission Formatting: Please use Microsoft Word or a similar word processing tool for all written documents and for the course project. For spreadsheets, please
use Microsoft Excel or a similar spreadsheet program. Spreadsheets can be inserted into a word processing document for submission.

All submissions should be free of spelling and grammar errors, well organized, and easy to follow. If your cases, quizzes, or other assignments are poorly written or disorganized, your grade will be impacted.

Academic Honesty: The University of Houston Academic Honesty Policy is strictly enforced by the C.T. Bauer College of Business. No violations of this policy, such as plagiarism or cheating, will be tolerated in this course. A discussion of the policy is included in the University of Houston Student Handbook. Students are expected to be familiar with this policy.

Grading: Grades will be provided based on the following scale and the criteria provided by the instructor. Students may inquire as to the efficacy of any grade, but once under review, grades can go up or down as a result of the review.

The course assignments and participation points are as follows:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Points (Type)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-class attendance and participation</td>
<td>5 points (credit)</td>
</tr>
<tr>
<td>Quizzes (3 for 5 points each)</td>
<td>15 points (graded)</td>
</tr>
<tr>
<td>Case Studies (10 for 2 points each)</td>
<td>20 points (graded)</td>
</tr>
<tr>
<td>Final Exam</td>
<td>30 points (graded)</td>
</tr>
<tr>
<td>Course Project</td>
<td>30 points (graded)</td>
</tr>
<tr>
<td><strong>Total points</strong></td>
<td><strong>100 points</strong></td>
</tr>
</tbody>
</table>

The total points earned will translate into one of the following letter grades for the course:

- 93 – 100 = A
- 90 – 92 = A-
- 87 – 89 = B+
- 83 – 86 = B
- 80 – 82 = B-
- 77 – 79 = C+
- 73 – 76 = C
- 70 – 72 = C-
- 60 – 69 = D

Accommodations for Students with Disabilities: The C.T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. To this end, in order to receive academic accommodations, students must register with the Center for Students with Disabilities (CSD) (telephone 713.743.5400), and present approved accommodation documentation to their instructors in a timely manner.
## Course Schedule:

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
<th>Activities</th>
<th>Assignment Due (Before Class)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Aug. 27</td>
<td>Introduction to Real Estate Development</td>
<td>• Introductions&lt;br&gt;• Review Syllabus and Course Expectations&lt;br&gt;• What is Development?&lt;br&gt;• Development Process Overview&lt;br&gt;• Development Team&lt;br&gt;• Real Estate Asset Classes&lt;br&gt;• Introduce Course Project</td>
<td>• Individual Bio&lt;br&gt;• Read Chapters: 1,2, and 3 (all pages)</td>
</tr>
<tr>
<td>02</td>
<td>Sep. 03</td>
<td>Introduction to the Development Budget and Proforma</td>
<td>• Guest Speaker: Tommy Lee – Trammell Crow Company&lt;br&gt;• What is a Development Budget and Proforma&lt;br&gt;• Review Development Modules and Layout</td>
<td></td>
</tr>
<tr>
<td>02</td>
<td>Sep. 10</td>
<td>Market Analysis</td>
<td>• Discuss Case Study Assignment&lt;br&gt;• Identify Real Estate Markets and Submarkets&lt;br&gt;• Understand Market Drivers and Fundamentals&lt;br&gt;• Review Market Research Analysis&lt;br&gt;• Distribute Course Project Assignments&lt;br&gt;• Select Course Project Team</td>
<td>• Market Analysis Case Study&lt;br&gt;• Read Chapters: 11, 17 and 18 (all pages)</td>
</tr>
<tr>
<td>03</td>
<td>Sep. 17</td>
<td>Site Analysis, Due Diligence and Concept Plan</td>
<td>• Discuss Case Study Assignment&lt;br&gt;• Guest Speaker: Mark Kirkland – Civil Engineer&lt;br&gt;• Site Selection Criteria&lt;br&gt;• Engineering Due Diligence&lt;br&gt;• Preliminary Site Plan&lt;br&gt;• Concept Plans</td>
<td>• Site Analysis and Due Diligence Case Study&lt;br&gt;• Read Chapters: 10 (all pages)&lt;br&gt;12 pp 269 – 284&lt;br&gt;13 (all pages)&lt;br&gt;19 pp 458 – 465</td>
</tr>
<tr>
<td>04</td>
<td>Sep. 24</td>
<td>Land Acquisition</td>
<td>• Discuss Case Study Assignment&lt;br&gt;• Components of a Land Contract</td>
<td>• Land Acquisition Case Study&lt;br&gt;• Read Chapter 12 pp 284 – 286</td>
</tr>
<tr>
<td>05</td>
<td>Oct. 01</td>
<td>COURSE PROJECT WORKSESSION</td>
<td>• NO CLASS&lt;br&gt;• Project Team Meetings</td>
<td></td>
</tr>
</tbody>
</table>
| Date  | Oct. 08 | Feasibility Analysis and Project Budget | • Class Project Q & A  
• Discuss Case Study Assignment  
• Discuss Project Feasibility  
• Initial Site Design  
• Create a Detailed Project Budget and Proforma | • Project Budget Case Study  
• Read Chapters  
8 pp 177 – 180  
12 pp 286 – 294  
16 (all pages) |
|-------|---------|----------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Oct. 15 | Marketing and Leasing | • Discuss Case Study Assignment  
• Guest Speaker: Cody Armbrister – CBRE  
• Project Branding and Marketing  
• Components of a Lease Agreement  
• Lease Negotiation Process  
• Proforma Implications | • Marketing and Leasing Case Study  
• Read Chapters:  
9 pp 216 – 219  
22 (all pages)  
19 pp 477 – 480 |
| Oct. 22 | Joint Ventures and Partnerships | • Discuss Case Study Assignment  
• Types of Joint Ventures  
• Identifying Equity Capital  
• Components of a Joint Venture Agreement  
• Proforma Implications | • Joint Ventures Case Study  
• Read Chapters:  
7 (all pages)  
9 (all pages)  
19 pp 480 – 483 |
| Oct. 29 | Project Debt Financing | • Discuss Case Study Assignment  
• Guest Speaker: Colby Mueck - HFF  
• Types of Debt Financing  
• Sourcing Debt Financing  
• Components of a Loan Agreement  
• Loan Closing Process  
• Proforma Implications | • Debt Financing Case Study  
• Read Chapters:  
8 pp 180 – 200  
19 pp 450 – 458 |
| Nov. 05 | Design Team Management | • Discuss Case Study Assignment  
• Guest Speaker: Gerald Gehm - Gensler  
• Discuss the Design Process  
• Steering the Design  
• Permitting and Approvals  
• Proforma Implications | • Design Team Case Study  
• Read Chapters:  
13 (all pages)  
14 (all pages) |
<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Nov. 19</td>
<td>Project Stabilization and Exit</td>
<td>Property Management Oversight, Asset Management, Marketing the Property for Sale or Recapitalization, Course Project Presentation Preparation, Course Projects Due (Hardcopies Only), Read Chapters: 21 (all pages)</td>
</tr>
<tr>
<td>Thanksgiving</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13 Dec. 03</td>
<td>Course Project Presentations</td>
<td>Present Course Project to Investment Committee, Final Exam Review, Investment Committee Presentations</td>
</tr>
</tbody>
</table>