

University of Houston  
C.T. Bauer College of Business

**Real Estate Market Analysis, Feasibility and Valuation**  
**FINA 7383 section number is 21071**  
**Mondays, 6:00 PM to 9:00 PM-1/18/22 to 5/12/22**  
**Melcher Hall #120**

Mr. Scott Rando (office hours: by appointment) 713.398.1548

[Scott.Rando@cushwake.com](mailto:Scott.Rando@cushwake.com) -use this email only as no UH/Bauer email accounts will be used by the instructor this semester (**blackboard will NOT be used**).

*General Info:* This introductory course covers the fundamentals of market research in real estate and determination of project feasibility and valuation essentials. Topics include:

- lease fundamentals
- highest and best use
- valuation techniques/approaches
- asset economics and applicable return levels
- market demand forecasts,
- assessment of competitive conditions,
- determination of market risk and
- project absorption projections for residential, commercial and mixed use projects.

*Course*

*Objectives:*

Students will be able to:

- Understand lease fundamentals
- Conduct site evaluations and report findings
- Complete and Understand Highest and Best Use Analyses
- Research, analyze and report business district characteristics
- Collect, organize, and analyze data to evaluate market conditions and project marketability for institutional and non-institutional assets
- Forecast supply and demand for major property types (industrial, office, retail, residential, Hotel)
- Complete market analyses through an analyses of market dynamics; and, complete feasibility analyses (group collaboration project) to yield recommendations in a client deliverable format
- Recognize and apply 3 approaches to value

*Text:*

Brett, D. A., Schmitz, A. (2009) Real Estate Market Analysis: Methods and Case Studies, 2<sup>nd</sup> Ed., Washington, DC: Urban Land Institute (ULI) - ISBN: 978-0-87420-136-9. It is available in the bookstore, through ULI, or other book retailers.

*Attendance and  
Pandemic items:*

<https://uh.edu/covid-19/guidelines-protocols/>  
Face Covering Policy

Although not required, to reduce the spread of COVID-19, the University encourages everyone (vaccinated or not) to wear face coverings indoors on campus including classrooms for both faculty and students. This is voluntary, but is not mandated. While in proximity to others, it is encouraged that face coverings are worn.

Presence in Class

Your presence in class each session means that you:

- Are NOT exhibiting any Coronavirus Symptoms that makes you think that you may have COVID-19
- Have NOT tested positive or been diagnosed for COVID-19
- Have NOT knowingly been exposed to someone with COVID-19 or suspected/presumed COVID-19

If you are experiencing any COVID-19 symptoms that are not clearly related to a pre-existing medical condition, do not come to class. Please see Student Protocols for what to do if you experience symptoms and Potential Exposure to Coronavirus for what to do if you have potentially been exposed to COVID-19. Consult the (select: Undergraduate Excused Absence Policy or Graduate Excused Absence Policy) for information regarding excused absences due to medical reasons.

COVID-19 Information

Students are encouraged to visit the University's COVID-19 website for important information including on-campus testing, vaccines, diagnosis and symptom protocols, campus cleaning and safety practices, report forms, and positive cases on campus. Please check the website throughout the semester for updates.

Vaccinations

Data suggests that vaccination remains the best intervention for reliable protection against COVID-19. Students are asked to familiarize themselves with pertinent vaccine information, consult with their health care provider. The University strongly encourages all students, faculty and staff to be vaccinated.

Reasonable Academic Adjustments/Auxiliary Aids

The University of Houston complies with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, pertaining to the provision of reasonable academic adjustments/auxiliary aids for disabled students. In accordance with Section 504 and ADA guidelines, UH strives to provide reasonable academic adjustments/auxiliary aids to students who request and require them. If you believe that you have a disability requiring an academic adjustments/auxiliary aid, please contact the Justin Dart Jr. Student Accessibility Center (formerly the Justin Dart, Jr. Center for Students with DisABILITIES).

*Excused*

*Absence Policy:*

Regular class attendance, participation, and engagement in coursework are important contributors to student success. Absences may be excused as provided in the University of Houston Undergraduate Excused Absence Policy and Graduate Excused Absence Policy for reasons including: medical illness of student or close relative, death of a close family member, legal or government proceeding that a student is obligated to attend, recognized professional and educational activities where the student is presenting, and University-sponsored activity or athletic competition. Under these policies, students with excused absences will be provided with an opportunity to make up any quiz, exam or other work that contributes to the course grade or a satisfactory alternative. Please read the full policy for details regarding reasons for excused absences, the approval process, and extended absences. Additional policies address absences related to military service, religious holy days, pregnancy and related conditions, and disability.

*Recording of  
Class:*

Students may not record all or part of class, livestream all or part of class, or make/distribute screen captures, without advanced written consent of the instructor. If you have or think you may have a disability such that you need to record class-related activities, please contact the [Justin Dart, Jr. Student Accessibility Center](#). If you have an accommodation to record class-related activities, those recordings may not be shared with any other student, whether in this course or not, or with any other person or on any other platform. Classes may be recorded by the instructor. Students may use instructor's recordings for their own studying and notetaking. Instructor's recordings are not authorized to be shared with anyone without the prior written approval of the instructor. Failure to comply with requirements regarding recordings will result in a disciplinary referral to the Dean of Students Office and may result in disciplinary action.

*Syllabus*

*Changes:* Due to the changing nature of the COVID-19 pandemic, please note that the instructor may need to make modifications to the course syllabus and may do so at any time. Notice of such changes will be announced as quickly as possible through (specify how students will be notified of changes).

*Pop-quizzes:* Periodically, pop-quizzes are given in the beginning of class. Since class participation is required, quizzes cannot be made up. If you are absent from class, no credit will be given for the quiz.

*Projects:* Projects are a critical component to the course. It provides a simulated, real-world experience commonly found in the market. This is the type of work employers demand. It will offer you the opportunity to deepen your understanding of subject, the business, and develop necessary skills for practice. In order to receive full credit, students will be required to present projects in class.

*Co Star :* The instructor will apply for CoStar access, so each student has a unique username and password for the semester to complete projects. Within 7 days of receiving this information, you must sign in to verify access. If you fail to sign in and authenticate access, you will not have access to CoStar for the semester. It is a violation of the agreement between the University and CoStar to allow students to share an account. If you are caught sharing an account, access will be terminated by CoStar for the entire class. Please follow the rules outlined by CoStar and act promptly when you receive notice to access the system. Do **NOT** call the instructor to resolve this problem after the 7 day verification period has ended. If you have technical problems, call the help desk as listed in the email notification.

*Style Guide:* Please prepare all writing assignment in a word processing program. Before posting to forums or other electronic mediums, prepare the draft with a word processing program (double spaced, 12 point font with one inch margins). All documents must comply with formatting in accordance with MLA or APA guidelines presented in the respective style guide. Feel free to use either style guide. It is good practice to stick to one guide through the semester. When preparing financials, please use Microsoft Excel or another spreadsheet program. Spreadsheets can be inserted into word processing documents for submission. Also see <http://office.microsoft.com/en-us/word-help/link-or-embed-an-excel-worksheet-HA010120810.aspx> for additional assistance. All submissions should be free of spelling and grammar errors, well organized, and easy to follow.

*Grading:* The course assignments and participation points are as follows:

In-class attendance and participation	05 points (graded/credit)
Pop-quizzes	05 points (graded/credit)
Midterm Exam	20 points (graded/credit)
Course projects	50 points (graded/credit)
I	10 points (graded/credit)
II	10 points (graded/credit)
III	30 points (graded/credit)
-video presentation required for course projects II and III	
<u>Final Exam</u>	<u>20 points (graded/credit)</u>
Total points	100

The total points earned will translate into 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

*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, <http://www.uh.edu/dos/hdbk/acad/achonpol.html>. Students are expected to be familiar with this policy.

Students are expected to produce original work in the course. Previous course-work from other classes cannot be submitted for credit in this course for any class assignment or project. At the instructor's discretion, work will be submitted to Turn It In.

*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.

*Supplemental texts &  
Suggested Readings:*

Carn, N., Rabianski, J., Racster, R., & Seldin, M. (1988) Real Estate Market Analysis: Techniques & Applications. Englewood Cliffs, NJ: Prentice Hall. ISBN: 0-13-763368-8.  
Betts, R.M. & Ely S.J. (2008) Basic Real Estate Appraisal, 7<sup>th</sup> Ed. Independence, KY: Cengage Learning. ISBN: 0324652615. Chapters 2, 4, 5 & 6.

Appraisal Institute. (2005) Appraising Industrial Properties. Chicago, IL: Appraisal Institute. ISBN: 0-922154-84-8. Chapters 2, 3 & 5.

Society of Industrial REALTORS. (1984) Industrial Real Estate, 4<sup>th</sup> Ed. Washington, DC: SIR Education Fund. See chapters 2, 4, 11 & 12.

Vernor, J.D., Amundson, M.F., Johnson, J.A., & Rabianski, J.S. (2009) Shopping Center Appraisal and Analysis, 2<sup>nd</sup> Ed. Chicago, IL: Appraisal Institute. ISBN: 978-7-935328-02-5. Chapters 1-8.

Rushmore, A. & Baum, E. (2001) Hotels and Motels: Valuations and Market Studies. Chicago, IL: Appraisal Institute. ISBN: 0-922154-70-8. Chapters 1-5.

Emerson Jr., D.M. (2008) Subdivision Valuation. Chicago, IL: Appraisal Institute. ISBN: 978-0-922154-97-5. Chapter 1: pgs. 1-19, Chapters 2, 3, 4 & 5.

Fanning, S.F. (2005) Market Analysis for Real Estate: Concepts and Applications in Valuation and Highest and Best Use. Chicago, IL: Appraisal Institute. ISBN:0-922154-86-4

Appraisal Institute. (2007) Appraising Residential Properties, 4<sup>th</sup> Ed. Chicago, IL: Appraisal Institute. ISBN: 978-0-922154-92-0. Chapters 3, 7 & 10.

CCIM course material for CI102 Market Analysis for Commercial Investment Real Estate

*Schedule (reading assignment by chapter should be completed prior to class on that week)*

Week	Rough Date	Reading Assignment by Chapter	Topic/Notes	Assignment/ Projects	Tentative Guest Lecturer
0	1/17		Martin Luther King, Jr. holiday <b><u>No Class</u></b>		
1	1/24		Valuations- Introduction And HABU Analyses		Keith Richards
2	1/31		Finalize HABU-Q&A Discuss projects I, II and III Expense structures Intro-3 Approaches to value	Project I –intro	
3	2/7		3 Approaches to value a deeper dive	Project I Q&A.	
4	2/14	Chapters 1 & 2 & pgs. 256-262	Introduction to Real Estate Analysis, Types of Studies, Market studies and data.  Local Economy, Defining the Market, Analysis of the Subject Property, Location & Site Analysis	<b>Project I report due.</b> No presentations allowed or required	
5	2/21	3 & pgs. 256-262	Local Economy, Defining the Market, Analysis of the Subject Property, Location & Site Analysis Supply/Demand		
6	2/28		Local Economy, Defining the Market, Analysis of the Subject Property, Location & Site Analysis Supply/Demand	Project II Intro and discussion	Co-star
7	3/7	6	Industrial and Office Analysis		

8	3/14		Spring Break No class		
9	3/21	4	6 pm Mid-Term 7 pm Res. Analysis 8 pm Jake Roland	<b>Mid-Term Exam</b>	Jake Roland w/ Greystar at 8 pm part 1 of 2
10	3/28		Independent project II work	<b>Project II report due.</b> No presentations allowed or required	
11	4/4		Res. Analysis Jake Roland	Project III discussion  determination (student picked groups of 3 must be submitted) and related discussion	Jake Roland w/ Greystar part 2 of 2
12	4/11	5	Finish Res Analyses  Retail Markets	Project III discussion	
13	4/18	8 & 7	Mixed Use Properties Chapter 7 Hotel	Project III Q&A	
14	4/25			Project 3 presentations starting at 6 pm	
15	5/2		Project 3 presentations starting at 6 pm  Final Exam distributed after class	<b>Complete and submit Evaluation of Group Project</b>	
16	5/9		No class meeting	<b>Final Exam Due</b>	

*Note: The schedule is subject to change.*