

Course Syllabus

UST/PDD 610 Urban Development Process/Market Analysis

Meeting Time: Wednesday night, 6:00-9:50 p.m.
Place: **Urban Building 241-Sweet Seminar Room (2nd floor)**
Instructor: **Robert A. Simons, Ph.D.**
Phone: (216) 687-5258
Email: roby@urban.csuohio.edu
Office Hours: Room #UR 223 **Wednesday 4:50-5:50 p.m., and by appointment**
Special Guest Lecturer: **David O'Neill**
Phone: (216) 861-5612
Email: david.oneill@colliersOM.com

Required Reading Materials:

- (**MBW**) Real Estate Development: Principles and Process, Mike Miles, Gayle Berens, and Marc Weiss, Washington DC: ULI, 2000
- (**F**) Market Analysis for Real Estate: Concepts and Applications in Valuation and Highest and Best Use. By Stephen Fanning, Appraisal Institute, 2006

Optional Book

- (**DW**) Urban Real Estate Markets, by Denise DiPasquale and William Wheaton, Prentice Hall 1996

Instructors Course Overhead Notes. Available from College of Urban Affairs N drive at N:/Simons/PDD 610 fall 2006/lectures/L#*.ppt Or <ftp://urban.csuohio.edu/utility>. This gets you to the N drive. Then go to Simons/PDD 610 fall 2006/lectures/L#*.ppt

Course Description

This course is intended for graduate students with little or no background in the urban development process or market analysis of urban redevelopment projects. There are two main goals of the course: 1) familiarize the student with the real estate development process in an urban context, and 2) train the student in market analysis techniques.

The first half of the course will deal with the importance and history of real estate, the development of real estate concepts, the public/planning role, and the market, financial and management aspects of real estate development. It will include several guest speakers on specific real estate development projects. Emphasis will be on a "back of the envelope" level of real estate analysis, using the front door-back door deal analysis technique.

The second portion will address the market analysis of non-residential urban development in general and retail space in particular. Sessions will address secondary data sources; market area

definition, site analysis and highest and best use; market demand, demand surveys and forecasting;² and competitive supply and data gathering. Next, we will put the pieces together with the analysis of market niches and market penetration rates, lease rates, synergism, tenant mix and the go/no go decision. Subsequent sessions will briefly cover market analysis of office, industrial real estate and housing. There will also be part of one session on how to critique a market study.

In general, each session will be split into two parts: lecture (**L**); and either class discussion of a real estate topic or a guest speaker (**D**).

Course Requirements

The first part of the course on the urban development process would have three short written fieldwork assignments on researching site history, attending a real estate public meeting, the front door back door assignment, and a take home midterm project/exam which will emphasize a “back of the envelope” analysis for an actual real estate project of the students' choosing. Some of the assignments may be assigned as group projects.

The market analysis portion will have a written assignment on market area definition, and a market analysis paper. Student will be required to make a power point presentation of their final project. Students will be responsible for material drawn from lectures and class discussions. A small portion of your grade will also be based on class participation.

Grading procedures

Grading for the course will be as follows:

4 short assignments	40 %
Take home midterm exam	20 %
Market analysis paper	25 %
Final Presentation	10 %
Participation	5 %

TOTAL	100 %

The numerical values for the letter grades are:

A=93-100, A-=90-92, B+=88-89, B=81-87, B-=79-80, C=70-78, F=69 or less.

Students should refer to the CSU Graduate Bulletin for administrative procedures related to drop-add, withdrawal, and incompletes.

<u>Session Number</u>	<u>Date</u>	<u>Topic</u>	<u>Assignment</u>
1 RS DO	8/30	L1-Introduction to real estate development process D: ASSIGNMENT #1 - RESEARCH SITE HISTORY	Reading:MBW 1,2,3
2 RS	9/06	L2-History of real estate and urban development D: ASSIGNMENT #2 - ATTEND PLANNING COMMISSION MEETING GUEST SPEAKER:	DW 1 Reading:MBW 7,8,9
3 DO	9/13	L3-idea conception and market analysis feasibility GUEST SPEAKER: Jane Campbell, confirmed	Reading:MBW 10,11,12, 16,17,18 F 16
4 RS	9/20	L4-Planning approval/public role GUEST SPEAKERS: Eminent Domain Panel: Tony Coyne confirmed, Howard Goldberg confirmed	Reading: MBW 13,14,15 Research Kelo and Norwood court decisions
** ASSIGNMENT #1: DUE: Research Site History **			
5 RS	9/27	L5- financing/loans Cap rates GUEST SPEAKER: Ed Peppers confirmed , Suzanne Hamilton, confirmed	Reading:MBW 4,5,6,AppxB
6 DO	10/4	L6-implementing real estate projects GUEST SPEAKER: Ken Silliman, confirmed	Reading:MBW 19,20,21,22,23 F11
** ASSIGNMENT #2 Due: attend planning meeting **			

<u>Session Number</u>	<u>Date</u>	<u>Topic</u>	<u>Assignment</u>
7 RS	10/11	L7-Brownfields Overview	Reading: N:/simons/610 f2001/assignments/creative excerpt in MSword and Excel

GUEST SPEAKER: Bob Amjad, Managing Director, Hemisphere confirmed 8-10 PM

*****Midterm handed out*****

8 RS DO	10/18	L8-Market analysis & market failure Front door back door analysis	Reading F chapters 1-6
------------	-------	--	------------------------

GUEST SPEAKER: Peter Rubin, Coral Corp., confirmed.

10/19 Extra credit special event Real Estate lunch

9 RS	10/25	L9-Market area definition, site analysis, linkage, spatial monopoly, highest and best use D-Gravity Model	Reading: F 7 Reading: DW 3,4,5
GUEST SPEAKER: Dr. Brian Mikelbank confirmed			Lecture 6 – 8 PM 8 – 10 PM (Dr. Brian Mikelbank & Dr.Sugie Lee & class)

**** TAKE HOME MIDTERM EXAM/PROJECT DUE ****

GIS Demonstration and PDD 643 student hookups

10 RS	11/1	L10-Market demand, data sources, economic forecasts, surveys of demand, and Competitive supply, space inventory data gathering-planning department	Reading: DW 6, Simons -Westtown Market study (N drive) F 8, 9, 10
----------	------	--	--

****ASSIGNMENT #3 DUE - Front door back door assignment**

GUEST SPEAKER: Arne Goldman, Marous Construction, confirmed

11 DO	11/08	L11-Market penetration, market niches, lease rates, tenant mix, go/no-go	Reading: \$&Cents,
GUEST SPEAKER: Albert Ratner 6:30 confirmed			F 12, 19

RS AT ACSP

<u>Session Number</u>	<u>Date</u>	<u>Topic</u>	<u>Assignment</u>
12	11/15	COSTAR DATA PRESENTATION	(Anna Wenger)
		<u>CLASS STARTS AT 5PM TODAY</u>	L13-Housing market analysis F 15
RS			Reading: DW 8, 9, skim 10

GUEST SPEAKER: Ken Lurie, Rysar confirmed 8 – 10 PM

****ASSIGNMENT #4 DUE: Define Retail PMA (PDD 643 students assist)****

13	11/22	L12-Office and industrial market analysis and land development	Reading F 13, 14
RS		<i>GUEST SPEAKER: Mitchell Schneider, confirmed</i>	

14	11/29	L14-Critique of market studies	Reading: Eldred-Myers
DO			Reading: DW 12, F Appx A
		GUEST SPEAKER: India Pierce Lee (Cleveland Foundation) confirmed, Steve Strinisha, (private consultant) confirmed, Nancy Lesic (Cleveland PR)	

15	12/6	early student presentations	
RS DO			

12/11 **FINAL MARKET STUDY PAPER DUE 5:00 pm**

16	12/13	STUDENT PRESENTATIONS and short list for competition	
RS DO			

**Competitor Mentoring begins Thursday 12/14/6
Peter Rubin, confirmed, Mitchell Schneider, confirmed**

MARKETING COMPETITION

Monday 18 December, 3:30-5:00pm Bonda Room RS in charge

Albert Ratner, invited, Peter Rubin, confirmed, David O'Neill, invited, Mitchell Schneider, Arne Goldman, invited

PDD/UST 610 Urban Development Process/ Market Analysis
SURVEY OF CLASS PARTICIPANTS

1. Name _____
2. Email address _____
3. Telephone Number (h) _____ (w) _____
4. Social Security Number or CSU student ID # _____
5. Enrollment status at CSU _____ (or KSU)
6. Full time student or part time student _____
7. Real Estate Development Experience _____
8. Your current job _____
9. Your objectives in this course _____

10. Experience with computerized spreadsheets _____

11. Any prior economics, math, real estate or finance courses??

12. Are you in the Real Estate Certificate Program? _____
13. Any GIS experience? _____