

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: r.simons@csuohio.edu
Office Hours: Room #UR 223 **Wednesday 4:50-5:50 p.m., and by appointment**
Special Guest Lecturer: Mitchell Schneider
Phone: (216) 381-2900
Email: mcs@first-interstate.com
Graduate assistant: Eugene Choi e.choi99@csuohio.edu , 216 224 6791, UR 232D

Required Reading Materials:

- (**MBW**) Real Estate Development: Principles and Process, Mike Miles, Gayle Berens, and Marc Weiss, Washington DC: ULI, 4th Edition 2007
- (**F**) Market Analysis for Real Estate: Concepts and Applications in Valuation and Highest and Best Use. By Stephen Fanning, Appraisal Institute, 2006

Optional Books

Urban Real Estate Markets, by Denise DiPasquale and William Wheaton, Prentice Hall 1996

Professional Real Estate Development. Peiser, Richard and Ann Frej.. Washington DC: ULI Press. 2003.

Instructors Course Overhead Notes. Available from College of Urban Affairs N drive at N:/Simons/PDD 610 fall 2008/lectures/L#*.ppt Or <ftp://urban.csuohio.edu/utility>. This gets you to the N drive. Then go to Simons/PDD 610 fall 2008/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 real² 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 commercial and mixed use 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; 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 short 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	8/26	L1-Introduction to real estate development process Economy and Foreclosure	Reading: MBW 1,2,3 D: ASSIGNMENT #1 - RESEARCH SITE HISTORY
2	9/02	L2-History of real estate and urban development Housing trends	DW 1 Reading: MBW 4,5,6 HOUSING AND FORECLOSURE TRENDS D: ASSIGNMENT #2 - ATTEND PLANNING COMMISSION MEETING GUEST SPEAKERS: 8:00-10PM DAVID O'NEILL, COLLIERS INTERNATIONAL, DR. YOUNGME SEO, US CLEVELAND FEDERAL RESERVE BANK (BOTH CONFIRMED)
3	9/9	L3-idea conception and market analysis feasibility	Reading: MBW 10,11,12, 16,17,18, F 16 Simons and DeWine: Red Door Church Project GUEST SPEAKER: 8:00-10 pm. Dr. Eric Johnson, Cleveland /Cuyahoga County Port Authority confirmed
4	9/16	L4-Planning approval/public role	Reading: MBW 13,14, 15 GUEST SPEAKER: Chris Ronayne, CEO University Circle Inc., 8:00-10pm (confirmed)

**** ASSIGNMENT #1: DUE: Research Site History ****

5	9/23	L5- financing/loans Cap rates	Reading: MBW 7,8,9 GUEST SPEAKERS: 8:30-10 pm. Kelly Hoy, David St. Pierre, and Mitchell Schneider, (all confirmed)
6	9/30	L6-implementing real estate projects	GUEST SPEAKER: Arne Goldman, 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	10/7	L7-Brownfields Overview green building, LEED	Reading: N:/simons/610 Simons&Saurwein BF chapter review mixed use book
GUEST SPEAKER: Bob Amjad, Hemisphere Development, confirmed 8:00-10 PM			

8	10/14	L8-Market analysis & market failure , L8a, Front door back door analysis	Reading F chapters 1-6
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GUEST SPEAKER: Peter Rubin, Coral Corp., confirmed. 8:00pm
D-Pass out assignment #3
*****Midterm handed out*****

9	10/21	L9-Market area definition, site analysis, linkage, spatial monopoly, highest and best use D-Gravity Model, hand out assignment #4	Reading: F 7 Reading: DW 3, 4, 5
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GUEST SPEAKER: Dr. Sung Gheel Jang
8:30 – 10 PM

(Dr. Sung Gheel Jang & class, confirmed

Computer lab session on real estate spreadsheets Friday pm/Saturday am (Eugene Choi)

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

GIS Demonstration and PDD 643 student hookups

10	10/28	L10-Market demand, data sources, economic forecasts, surveys of demand, and Competitive supply, space inventory data gathering-planning department L11-Market penetration, market niches, lease rates, tenant mix, go/no-go	Reading: DW 6, Simons -Westown Market study (N drive) F 8, 9, 10,12, 19 \$&Cents, L11 appendix
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****ASSIGNMENT #3 DUE – Front door back door assignment**

GUEST SPEAKER: Mitchell Schneider, First Interstate Properties. Confirmed 8-10pm

<u>Session Number</u>	<u>Date</u>	<u>Topic</u>	<u>Assignment</u>
11	11/4	L12-Housing market analysis	F 15 Reading: DW 8, 9, skim 10
GUEST SPEAKERS: Ken Lurie, Rysar and David Orlean, Orlean Company, Invited 8:00 – 10 PM Rose Zitiello, City Cleveland CRA			

12	11/11	Veteran's Day no class
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****ASSIGNMENT #4 DUE: Define Retail PMA (PDD 643 students assist)****

13	11/18	L13-Office and industrial market analysis and land development	Reading F 13, 14 S 6-8 plus cases
<i>GUEST PANEL: 8:00-10 pm. White Motors Redevelopment project, Mitchell Schneider (confirmed), Tracey Nichols, City of Cleveland ED (invited), Chris Goodrich (confirmed)</i>			

14	11/25	L14-Critique of market studies	Reading: Eldred-Myers Reading: DW 12, F Appx A
Guest Speaker Gary Gross?		invited	

15	12/2	early student presentations.
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12/7 **FINAL MARKET STUDY PAPER DUE 5:00 pm**

16	12/9	STUDENT PRESENTATIONS and short list for competition
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Competitor Mentoring begins Thursday 12/10/8

Arne Goldman, Mitchell Schneider, confirmed, Gary Gross, David O'Neill confirmed

MARKETING COMPETITION

Monday 14 December, 3:30-5:00pm Bonda Room. RS in charge

NAIOP SPONSORSHIP ? 2 judges if yes, Scott Maloney and Brian Ambrose, Mitchell Schneider confirmed, David O'Neill confirmed, Gary Gross, Arne Goldman,

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 _____
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? _____