

**Transcript from the February 2, 2011 UNC's Kenan-Flagler Real Estate Finance and  
Development Concentration Chat**

**KFBS2011\_NickO (guest):** Welcome to the Kenan-Flagler Real Estate Finance and Development Concentration Chat. My name is Nick Olaya, I am a second year student and President of the Real Estate Club. I am joined today by Professor Dave Hartzell, Steve Cumbie the executive director of the Center for RE Development, as well as some current students and alumni. Welcome!

**KFBS2012\_Caitlin (guest):** Hi Everyone! I am Caitlin Leary, a first year student concentrating in both Real Estate Development and Finance. Welcome!

**DavidD\_KFBS2010 (guest):** Hi all. This is David Doubman. I graduated from Kenan-Flagler in May of last year and now work in Asset Management for Highwoods Properties, a publicly traded REIT focused on office and industrial properties. Welcome.

**ProfHartzell1 (guest):** Hello Everyone - This is Dave Hartzell, Real Estate Professor here at Kenan-Flagler. Welcome to our 2011 admissions chat. Fire away with your questions!

**JStroman1 (guest):** Hi, I'm Jake Stroman, 2005 graduate of UNC KFBS. I'm a Vice President at Boston Properties in Washington, DC. Look forward to fielding your questions today.

**CREDDir1 (guest):** Steve Cumbie, here. I'm the Exec. Director of the Center for Real Estate Development.

**KFBS2011\_NickO (guest):** Just to let everyone know, it's 65 degrees and sunny in Chapel Hill today

**CyrilPhilip (guest):** Hello Prof Hartzell Steve, Caitlin, Nick, Jake, David and thank you for organizing this chat.

**ProfHartzell1 (guest):** Our pleasure

**ProfHartzell1 (guest):** We're happy to answer questions about curriculum, career services, admissions, or anything else that's on your mind today.

**BMcC (guest):** Thank you for hosting this chat; can you discuss the hiring prospects for current K-F students in real estate, both internships and full-time?

**ProfHartzell1 (guest):** BmcC: things seem to be percolating pretty well this year, much better than last year. More companies are coming on campus than in previous years, and more folks have jobs already

**KFBS2012\_Caitlin (guest): @BMcC:** As a first year in the midst of the internship search process, I can say that it's moving along smoothly. As Dave mentioned, more companies are coming on to campus, and there have been opportunities in both finance and development.

**KFBS2011\_NickO (guest): @BMcC:** we are right in the middle of both internship and full time hiring right now! Job prospects are certainly looking up as we emerge from the recession. Some of the companies that have hired and are hiring from UNC Real Estate are Avalon Bay, Bank of America, BioMed Realty, Boston Properties, Cherokee Investment Partners, Cole Real Estate, Colonial Properties Trust, Cousins Properties, Crescent Resources, Crosland, Cushman & Wakefield, Eastdil Secured, Edens & Avant, Elm Street Development, GE Capital,

**KFBS2011\_NickO (guest):** Grubb & Ellis, Highwoods Properties, Jones Lang LaSalle, JP Morgan, Liberty Property Trust, Lonestar Funds, Parkway Properties, Morgan Stanley, ProLogis, Prudential Real Estate Investors, Rainier Capital Management, RBS Capital Markets, TIAA-CREF, Trammell Crow Residential, UBS, Wells Fargo, Wood Partners.

**JStroman1 (guest): BMcC -** Boston Properties is back on campus again this year, searching for an intern to help out in our Washington, DC office. Currently, I believe there are three KFBS alums in the BP organization that do development work for our company.

**DavidD\_KFBS2010 (guest): BMcC:** echoing a bit what Prof. Hartzell said, I know my class of Real Estate concentrators are all placed. So while it was slower perhaps last year, things look good.

Satya Vittal: Hello everyone

**KFBS2011\_NickO (guest):** Hello Satya welcome to the chat!

**CyrilPhilip (guest):** I am looking to work at the intersection of technology and real estate - in the area of sustainable urban development, which is something a lot of large tech/consulting companies are focusing on. I would like to know about the Real Estate Concentration's focus on this area.

**ProfHartzell1 (guest): Cyril:** We work closely with the Center for Sustainable Enterprise, which is a very active group here. We also provide a LEED certification course, which is helpful for our students as well.

**CREDDir1 (guest): CyrilPhillip,** in our development process class we address sustainable development; plus the real estate center sponsors a LEED prep course each year for those students who want to become accredited.

Satya Vittal: CRED: You mean accredited ?

**CREDDir1 (guest):** Satya, sorry about the spelling. Moving too fast

CyrilPhilip (guest): Thanks Professor Hartzell. Professor Kasarda's work on the aetropolis concept was something about Kenan-Flagler that caught my eye. How does this kind of research percolate into the MBA classes/courses?

**ProfHartzell1 (guest): Cyril - Jack Kasarda teaches a demographics course here, which all of our concentrators take. He has involvement with our Center for Real Estate Development as well. He's also a fellow of the Urban Land Institute, as you may know, so his views are widely disseminated. In all cases, the research ends up as a discussion point in the classroom, which is one of the advantages of being at a research oriented program.**

CyrilPhilip (guest): That's great Professor Hartzell. Thank you.

Caroline415 (guest): Hello, this is Caroline Kolb, I submitted my application to KFBS in January. I am interested in switching into urban infill development from the tenant rep side of the business after school. What percentage of KFBS real estate students actually end up in development would you say?

**DavidD\_KFBS2010 (guest): Caroline - While the number of development jobs has declined temporarily, it certainly won't last. I know for me, with a construction background, development made a lot of sense as a next step, but I can say, Asset Management has so far been an invaluable experience.**

**ProfHartzell1 (guest): Caroline - In the past several years, the actual number of development jobs has declined due to the economy. However, things are picking up now and we have several companies coming on campus to recruit for development jobs (especially in the multifamily sector). I think that this will continue as values continue to increase.**

Caroline415 (guest): That's good news, Professor Hartzell. I am hopeful that opportunities in this field will continue to materialize through 2013 when I would be graduating.

**ProfHartzell1 (guest): Caroline - I'm not too sure where you are located, but our alumni have been involved with starting and growing infill development companies in many places - notably Durham, NC with greenfire development, and Scientific Properties.**

Caroline415 (guest): Thanks, David D. I do get a sense that a lot of people who intend to do development end up doing other pertinent things, which I am open to as well. And Prof. Hartzell, I am familiar with Scientific Properties - a good example of a company I'd like to go work for in the future.

Guest721 (guest): Hi, my name is Tucker. I have worked in acquisitions at a REIT based in San Francisco for the last 4.5 years. If I'm accepted, I'd like to live in the Raleigh Durham area after I graduate. Can you please shed some light on local real estate opportunities, both internships and full time. Do most RE folks leave the area for summer internships?

**KFBS2012\_Caitlin (guest): @Guest721: Hi Tucker, welcome to the chat. I made the move from NYC down to the Chapel Hill area, and have spent a lot of time learning about different firms in the triangle and D.C. There is a strong presence from local, private firms (Grubb Properties was just on campus recruiting) along with other REITs (Highwoods for example). There are plenty of networking opportunities that will help get you become familiar with the firms in the area. We just attended an event with Grubb and Ellis today with 400+ people**

**Guest721 (guest): Thank you, Caitlin**

**DavidD\_KFBS2010 (guest): Tucker - I also moved from out of town, still live in Chapel Hill and work in Raleigh at Highwoods. I know of 4 other real estate concentrators my year who did the same, so the opportunities are there to find.**

**Guest721 (guest): Great, thanks David. That's very helpful to know.**

**DavidD\_KFBS2010 (guest): Thanks Guest721.**

**KFBS\_DCRP\_2012 (guest): Hello all, I just joined the chat. My name is Vincent Monaco and I am in a dual degree program with the Department of City and Regional Planning. I am in my second year of three, and last summer I interned in the affordable housing tax credit industry. I would be happy to answer any questions about the DCRP.**

**Satya Vittal: Hello folks, this is Vittal Kinthada Venkata Satya(you can call me Satya Vittal). I worked for Broadcom corp in RTP, North Carolina, Chapel Hill area**

**KFBS2011\_NickO (guest): OK since no one is asking a question, I have one... Dave- how is the GIE planning going? Where are you guys heading this year?**

**ProfHartzell1 (guest): Nick - This year is the first where we'll be heading to three west coast cities: SF, Seattle and Vancouver. We've done eight international trips, but this will be our first US based trip. The idea is to expose our students to west coast companies and real estate markets, and vice versa.**

**DavidD\_KFBS2010 (guest): and are alumni eligible?**

**ProfHartzell1 (guest): David - i have had one alumni who has taken four of my GIE classes so far, so you're welcome to come with us.**

**KFBS2011\_NickO (guest): The GIE trip that we took to Argentina and Uruguay last year was one of the highlights of my MBA experience thus far!**

**KFBS2012\_Caitlin (guest): I'm going on the trip to the west coast, and can't wait. We have a great list of companies and sites that we'll visit, and you can't beat traveling with 15 of your classmates**

Caroline415 (guest): I am actually located in SF. Just curious, what sites are you planning to see there?

**ProfHartzell1 (guest): Caroline - we'll be visiting a number of companies and sites, and all where our alums are involved: Mission Bay, Morgan Stanley, Grosvenor, Eastdil, Hines, the Presidio (no alums, but very interesting), the mayor's office of economic development, and we'll also be seeing folks from Heitman, Starwood, Stockbridge and other investment management firms. We're also doing an alumni event (3/1) that might be fun for you to attend - let me know if you're interested.**

Caroline415 (guest): Oh, that would be great! I would very much look forward to meeting you then. Was going to highly recommend the Presidio if that wasn't on your list. It's amazing what they've done there.

**ProfHartzell1 (guest): Caroline - shoot me an email at dh@unc.edu and i'll get you the details on the alumni event. We'll have 21 of our real estate students and me along.**

Caroline415 (guest): Perfect, I will do that! Thanks a lot, Prof. Hartzell.

CyrilPhilip (guest): This is regarding the UNC Real Estate development challenge. Does UNC field a team from its MBA class and how are participants selected?

**KFBS2011\_NickO (guest): @Cyril- Students compete in the premier Real Estate Development case competition in the country here at UNC, in addition to other invitation-only MBA Real Estate case challenges throughout the country. Yes, we field a team every year from this conference. This year's team consists of 3 second year students and 1 first year student. We decide internally based on opportunity, experience, interest, etc. We generally try to form a well balanced and competitive team.**

CyrilPhilip (guest): Thank you Nick

**ProfHartzell1 (guest): Cyril - next friday is this year's development challenge, and I'm finishing up writing the case today and tomorrow. It should be a lot of fun. We have 15 teams coming to compete against our team, from the top MBA/real estate schools in the country.**

**ProfHartzell1 (guest): Nick and Caitlin - Since you both came from outside of the region, maybe you can talk about quality of student life at Kenan-Flagler and in Chapel Hill.**

**KFBS2012\_Caitlin (guest):** If anyone has any questions about the transition to Chapel Hill and life at KFBS not RE specific, fire away

**KFBS2012\_Caitlin (guest):** It's hard to not love life down here. I came from NYC so this was a significant change of pace. The people are great and the quality of life is fantastic (even if we spend the majority of our time in the business school during the first semester...)

**KFBS2011\_NickO (guest):** @ ProfHartzell- I came from Atlanta,GA before coming to Chapel Hill and it's been amazing being in a college town again! I spent many hours "researching" Franklin Street, and have enjoyed all the fun athletic events, social events, and educational opportunities that UNC has to offer. Did I mention that it's 65 degrees and sunny today?

JCBroyles (guest): Thanks for hosting this session. My name is Jim, and I'm particularly interested in development. I'd like to know how the coursework would prepare a student for immediate application in the field. Are there students who are starting and heading their own development firms (RTP or outside the region)?

**CREDDir1 (guest):** Jim, the program is geared toward development. In the second year the development process course requires a team project out in the community geared toward development. Some have actually proceeded into real business deals post graduation.

JStroman1 (guest): JC Broyles - I'm currently in development with a pretty large firm (Boston Properties). I can honestly say that the curriculum couldn't have prepared me better for my job. The casework that Prof. Hartzell puts together for the first year development class prepared me extremely well for my internship, and ultimately my full-time position.

JCBroyles (guest): Thank you, that's helpful.

**BMcC (guest):** ProfHartzell, can you talk about the direction of the real estate program over the next few years (i.e. perhaps more focus on sustainable development, public-private partnerships, etc)?

CyrilPhilip (guest): Adding on to BMcC's question, i'd like to hear about the international focus of the RE program.

**ProfHartzell1 (guest):** BmcC and Cyril: We're always adapting the program and curriculum to what's going on in the current markets. Mostly, we do this through cases in our classes, which change every year. I'm writing case on a project in South America that is a public/private venture, for example. In terms of international, my friend Andrew Baum comes over from England (he's at Oxford and Cambridge) to teach an int'l real estate and finance class. He and I just finished a textbook on global real estate - out late spring

CyrilPhilip (guest): That's exciting.

**DavidD\_KFBS2010 (guest): Cyril - Prof. Baum's International Real Estate class is absolutely one of the best classes any concentration has to offer at KFBS.**

CyrilPhilip (guest): Thanks, David.

**ProfHartzell1 (guest): BmcC: in terms of adapting, we also have guest speakers in at all times to show the students new best practices in real estate. Next week is our annual conference, focusing on capital markets, and our speaker lineup is Ethan Penner (co-head CBRE Investors), and other speakers are Jacques Gordon (LaSalle investors), Ed Fritsch (highwoods), Wes Fuller (Greystar), Bob White (RCA) and others.**

**CREDDir1 (guest): One point of distinction for the program is our student managed real estate investment fund (REIF). To my knowledge, it's the only student managed RE fund in the country. Three managers are selected from the first-year class in January and another three in the fall from the second year class. The current fund is almost fully invested and we are starting to raise REIF Fund II.**

Guest721 (guest): Can you please talk a little about how much of the curriculum is focused on the legal side of the business? Thank you.

**ProfHartzell1 (guest): Guest 721 - we have an adjunct from K&L Gates teach our real estate law class in the first mod of second year for our real estate concentrators, focusing not on legal issues, per se, but on how legal issues impact real estate professionals (developers, investors, lenders, etc.)**

Guest721 (guest): Thanks, Prof. Hartzell. Are there any opportunities to learn legal specifics (purchase and sale contracts for example)?

**ProfHartzell1 (guest): 721: That's a part of the law class, and our adjunct goes over actual LOIs, P&S contracts, leases, Deeds of trust, etc., with a eye on what are the most important from the perspective of non-lawyers. It's a lot of fun.**

Guest721 (guest): Great, thank you.

JCBroyles (guest): I moved to Durham this past summer and have been amazed with the amount of renewal going on here. Redevelopment has been coupled with great local industry. The local political scene is also very interested in continuing this growth, given some of its certain constraints. Does the RE program interact with the city of Durham and how does the curriculum incorporate working within local politics?

**ProfHartzell1 (guest): JCB: Chapel Hill is a great laboratory for local land use issues, and we focus a lot on our local market. With that said, given our alumni base in Durham (greenfire/scientific properties/self help credit union) and Raleigh (empire, highwoods,**

**Kane) and their continued activities with our classes and RE club, we get a full dose of how the government is always your partner!**

JCBroyles (guest): Thanks, Prof. Hartzell.

CyrilPhilip (guest): Can you shed some light on the role of the RE club? Also, a general question - how many clubs are MBA students at KFBS really active in, at any one time?

**KFBS2011\_NickO (guest): @Cyril-The Real Estate Club facilitates Real Estate events for MBA students to increase their education, networking, and experience within the commercial real estate industry. This includes career treks to 2-3 cities each year, a 1st year case competition written and conducted by 2nd year students, weekly real estate club emails, videoconferences with companies located in geographies outside of the southeast, organizing our Real Estate career day, creating internship and resume books...**

KFBS2011\_NickO (guest): , facilitating our brown bag lunch series with Real Estate professors and alumni, helping with intern and full time recruitment, providing real estate financial modeling classes, real estate careers 101 presentations, social activities, various career and Real Estate niche industry panels and presentations from alumni and industry folks... so the RE Club is very active and does a lot of stuff!

**KFBS2012\_Caitlin (guest): @CyrilPhilip: To add to what Nick said, I'm on the leadership team for the club, and it's been a great experience. The club has been instrumental in helping to educate the first year students (things like LEED, ARGUS, financial modeling, etc). If you come to Experience Weekend, be sure to stop by our table at the club fair**

CyrilPhilip (guest): Thanks, Nick and Caitlin!. @Caitlin, how many other clubs are you active in, with your involvement in the RE club?

**KFBS2011\_NickO (guest): Cyril I would say you could be really active in 2-3 at any one time**

**KFBS2012\_Caitlin (guest): @Cyril: I'm active in the RE club, CWIB (Carolina Women in Business), and the MBA Ambassadors (the group that meets with prospective students, etc). As far as my involvement in the RE club, I've helped organize a career trek to NYC and am organizing all of our volunteers for the UNC RE Challenge. I've also been involved in helping Nick and the other members of the leadership team with brown bags and figure out what our first year class was looking for in terms of education, networking, etc**

**KFBS2012\_Caitlin (guest): The club also put on a case competition for first year students, and we presented to a major REIT. It was an awesome opportunity and gave us hands on experience early in the year.**

CyrilPhilip (guest): Thanks again @Nick and @Caitlin.

**KFBS2011\_NickO (guest): All- here is a link to our Real Estate club web page:**  
<http://specials.kenan-flagler.unc.edu/MBAclubs/realestate/Pages/default.aspx>.

**KFBS2011\_NickO (guest): Here is another interesting link- this is our latest Real Estate Club newsletter, to give you an idea of some of the things that we do here with the Real Estate Program:** <http://www.kenaninstitute.unc.edu/cred/new/>.

**JCBroyles (guest): Directed towards the alumni: Now that you are working in the industry, what do you see as the strengths of the program as it applies to your line of work?**

**JStroman1 (guest): JCBroyles - one of the major strengths of the program is that it is extremely well-respected by everyone in the industry, so it gives you a leg up when you're competing for interviews at various firms. The other strength is that you create great friendships with other people that have very similar professional goals. I'm able to pick up the phone and call a KFBS Real Estate alum in my city and get assistance, work through an issue, etc. You become part of the "club".**

**JCBroyles (guest): Those are both great attributes. Thanks.**

**ProfHartzell1 (guest): To all: one of the key benefits of our program here is the size and loyalty of our alumni base. They are incredibly helpful to our current students in providing mentorship for job searches, to me with respect to helping me write new cases to use in class, and in general staying involved in our program.**

**KFBS2012\_Caitlin (guest): An important note about integration among first and second years: We really leverage our classmates and their experiences to help us learn about the different job functions within real estate and help expand our networks. The knowledge within our class has been an unbelievable resource. (Not to mention, people here are just willing to help any way they can).**

**DavidD\_KFBS2010 (guest): JCBroyles - the people are absolutely one of the greatest strengths at KFBS. I keep in close contact with several of my classmates - some in real estate some not, Prof Hartzell, alumni I met through KFBS, people at the company I interned with...etc. etc. There's simply no replacing that community of folks I feel that I can reach out to at any time.**

**JCBroyles (guest): Thanks, David.**

**KFBS2012\_Caitlin (guest): FYI - We don't have anyone from admissions on the chat. Feel free to ask anything...**

**Guest721 (guest): What don't you like about the program? What would you like to improve?**

**KFBS2011\_NickO (guest):** I'd extend it to 4 years so I wouldn't have to leave in a few months...

**KFBS2011\_NickO (guest): @Guest721-** Seriously though, one issue that I had last year was the lack of real estate classes during mods 1 and 2 of the first year, when you are taking your core classes. We addressed that this year as a club by providing a brown bag speaker series, career treks to NYC, a first year RE case competition (written by 2nd year students), and other learning opportunities.

**KFBS2012\_Caitlin (guest): @Guest721:** I've honestly been really happy with the program. I think the most challenging part has been balancing the core curriculum with the job search and desire to jump into real estate specific classes early on. You don't have a ton of time during the first semester (keeping in mind you have to give yourself some time to be social and connect with classmates). That said, I think this issue is just the nature of the b-school experience.

**JStroman1 (guest):** Guest 721 - I can't say a bad thing...honestly. I even met my wife at KFBS.

**KFBS2011\_NickO (guest):** Any final questions? Looks like our time is winding down...

**KFBS2011\_NickO (guest):** Thanks for joining, everyone. The chat transcript will be posted on our website within two weeks: <http://www.kenan-flagler.unc.edu/Programs/MBA/infoSessions/Chats.cfm>

**CyrilPhilip (guest):** Thanks again for organizing this chat.

**Guest721 (guest):** Thanks guys.

**DavidD\_KFBS2010 (guest):** Good luck.

**ProfHartzell1 (guest):** Our pleasure - hope to see you in the fall.

**KFBS2012\_Caitlin (guest):** Best of luck everyone!