The Real Estate Concentration

Overview

The Real Estate Concentration at UNC Kenan-Flagler Business School is designed to provide MBA students with a broad background in all aspects of the real estate industry. In the past several years, 10% of students in the MBA Program have been real estate concentrators. Students from the Real Estate Concentration have taken jobs in real estate investment, finance, development, consulting, investment banking, corporate real estate, and in most other fields within the real estate industry. The required courses in the concentration are designed to develop exposure, intuition and technical ability that can be applied to a wide array of real estate decision making.

Concentration Team

The coordinator for the Real Estate concentration is David Hartzell (dave_hartzell@unc.edu). Faculty members teaching in the concentration include David Hartzell, Lynn Fisher, Jacob Sagi, Dragana Cvijanovic, Deb Anderson (former Executive Director of the Leonard W. Wood Center for Real Estate Studies (CRES), Allen Prichard (KL Gates Law firm), Andrew Baum (University of Oxford (UK), University of Cambridge (UK) and Andrew Baum and Company), Norman Block (Block & Associates Realty), Robert Slater (Bell Partners) and Blaine Strickland (formally of Remora Partners).

Concentration Leader: David Hartzell

Curriculum Advisors: David Hartzell, Lynn Fisher

Career Advisors: David Hartzell, Lynn Fisher, Jim Spaeth

Advisory Board

The Concentration's Advisory Board focuses on curriculum issues to ensure that students are learning state of the art analytical techniques and on the overall strategy of the program and the Leonard W Wood Center for Real Estate Studies. In addition, the Advisory Board helps students in their internship and career searches. Active Advisory Board and alumni involvement and interaction between current and former students is an essential part of the MBA experience for Kenan-Flagler Business School real estate students. Our alumni provide guidance regarding job search, career interests, and other aspects of their experience through a variety of events.

Current members of the Advisory Board include: Deborah Anderson (Wood Partners – retired), David Benson (Morningstar Storage Centers), Charles Brindell Jr. (Mill Creek Residential Trust), Ross Cowan Jr. (Northwood Investors), Stephen Cumbie (NV Commercial), David Flanagan (Elm Street Development), Kent Griffin (BioMed Realty Trust), Tom Harvey (Harvey Real Estate), Leo Horey (Avalon Bay Communities), Turner Inscoe (Cambridge Development Group Inc.), Laine Kenan (Novare Group), Bruce McNair (Avison Young), Roger Pratt (Prudential Real Estate Investments), Thomas Regnell (Washington Real Estate Investment Trust), Kai Reynolds (the JBG Companies), John Robbins (Granite Properties), Tom Senkbeil (Senkbeil Associates), Bob Slater (Bell Partners), Chuck Sullivan (IndCor Properties), and Leonard Wood (GLJ Partners).

The Real Estate Club

The Real Estate Club extends the classroom experience by engaging students, faculty, alumni and real estate professionals in a broad variety of activities, including a speaker series sponsored by the Wood Center for Real Estate Studies, and semiannual trips to give students first-hand exposure to such markets as Washington, Atlanta, Charlotte, and others. The Real Estate Club sponsors career panels and video conferences that bring distinguished alumni to campus throughout the year to discuss their careers and experiences.

Concentration Requirements

All students in the concentration take the first-year core in the Modules I and II of the first year.

Students in the Real Estate concentration have two options: a development track or an investments and finance track. Required course in each track for the 2013-14 academic year are outlined below.

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Development Track in the Real Estate Concentration

- MBA 852 Real Estate Process (3 credit hours, Spring semester first year)
- MBA 853D Real Estate Macroeconomics and Securities Markets (1.5 credit hours)
- MBA 853B Real Estate Law (1.5 credit hours)
- MBA 853E Financing Real Estate in Today's Capital Markets (1.5 credit hours)
- MBA 854 Real Estate Development Process - Development **(6 credit hours, project required)**

Investments and Finance Track in the Real Estate Concentration

- MBA 852 Real Estate Process (3 credit hours, Spring semester first year)
- MBA 853D Real Estate Macroeconomics and Securities Markets (1.5 credit hours)
- MBA 853B Real Estate Law (1.5 credit hours)
- MBA 853C International Real Estate Investment (1.5 credit hours)
- MBA 854A Real Estate Development - Finance (3 credit hours, no project required)
- MBA 853E Financing Real Estate in Today's Capital Markets (1.5 credit hours)
- Argus Certification Training

Course Descriptions

Real Estate Process – MBA 852

Real Estate Process is the first course in the real estate curriculum, and provides students with the foundation required to be successful in the highly competitive summer internship job market. The course introduces students to fundamental concepts of real estate, and provides a foundation for analysis of markets, valuation, real estate law, development, capital markets and investment analysis. The course takes a "bottom-up" approach to real estate decision-making, focusing on property level decision making. The course is largely case-based, providing an opportunity to make decisions with the same quality and amount of information as practitioners in the field.

Real Estate Macroeconomics and Securities Markets – MBA 853D

This course gives students an understanding of real estate capital markets and securities. Students will develop an appreciation of the feedback between real estate and the macro economy through existing markets for securities used to finance real estate assets. Topics covered include derivatives, mortgages, commercial mortgage-backed securities and structured finance, Real Estate Investment Trust valuation and financial analysis, and real estate in the institutional investor's portfolio.

Real Estate Law – MBA 853B

The practical essentials of legal issues and documents in all aspects of development, finance and investments are covered in this class, focusing on key negotiations points and their economic impact for participants on both sides of the transaction. . Included are letters of intent, purchase and sale contracts, joint venture and partnership agreements, and construction and construction loan documents. In addition, current topics in real estate law that are essential for real estate practitioners will be discussed, including eminent domain, green building, and regulatory requirements in development, finance and investment.

Real Estate Development and Development Process – MBA 854A & 854

Coursework on real estate development is bifurcated into two courses: Real Estate Development, MBA 854A (3 credits) for investment and finance track students, and Real Estate Development Process, MBA 854 (6 credits) for development track students. Students enrolled in either MBA 854A or 854 participate in a lecture-based course that provides students with an overview of the development process and creates a framework for deal analysis. Students enrolled in MBA 854 participate in an additional 3 hours of classroom time each week, intended to supplement the topics and lectures covered in the lecture part of the course with more practical detail about investigating development ideas. Students enrolled in MBA 854 are also required to be part of a team that pursues a real estate development project.

In sum, this course is designed to introduce students to the multi-faceted world of real estate development. The real estate development process is analyzed from the perspective of the developer, but all other stakeholder perspectives are also considered. The most important stakeholders include the land seller, public sector and prospective tenants (or owners), as well as debt and equity providers. The course focuses on the feasibility of real estate development, and allows students to master both simple and more complex analytical skills necessary to create, construct and operate economically viable real estate products. The course also demands "hands on" analysis requiring subjective inputs.

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International Real Estate Investment – MBA 853C
This course will focus on investment fundamentals and vehicles around the world. The focus will be on public and private equity vehicles, and the investment benefits they provide to investors. Students will be exposed to the development of public and private global portfolios, tax considerations, currency and other issues relevant for global investors.

Financing Real Estate in Today's Capital Markets – MBA 853E
The purpose of this course is to apply what students learned in "Real Estate Macroeconomics and Securities Markets" to practice, a pre-requisite for this course. The course will feature case-studies and guest speakers with a focus on tapping capital markets for financing real estate projects.

Sample Course Recommended Electives for Two Tracks in the Real Estate Concentration*

Real Estate Development Track

- MBA 733 Financial Statement Analysis
- MBA 780 Applied Corporate Finance
- MBA 796 Global Financial Markets
- MBA 847 Sales
- MBA 850A New Urbanism, Smart Growth & Sust. Community Development
- MBA 855 Innovations in Green Building
- **PLAN 744 Development and Environmental Management
- **PLAN 745 Development Impact Assessment
- **PLAN 740 Land Use and Environmental Planning
- **LAW 270 Real Estate Transactions
- ***PUBA 780-004 Community Revitalization Techniques (Two MODs, 3 credits)

Real Estate Investments and Finance Track

- MBA 738 Topics in Financial Reporting
- MBA 739 Complex Deals
- MBA 780 Applied Corporate Finance
- MBA 783 Introduction to Derivatives
- MBA 786A Quantitative Methods in Finance
- MBA 789 Mergers & Acquisitions
- MBA 791 Fixed Income
- MBA 792A Investments
- MBA 793D Alternative Investments
- MBA 793M Practical Financial Modeling
- MBA 796 Global Financial Markets
- MBA 797 Risk Management
- MBA 799 Governance & Financial Accountability
- MBA 846A Private Equity

Other Suggested Electives

- MBA 721A Managing Innovation Process & Performance in Organizations
- MBA 825 Applied Improvisation for Communication
- MBA 869 Corporate Environmental Strategy
- MBA 870 Global Immersion led by Dave Hartzell (Real Estate focus)

***Note: Some classes and immersions are not offered every year. In addition, the timing of courses may change from year-to-year. Please check MBA Program guide. See MBA Policy Manual for details on how to take courses outside the MBA Program.*
**** Please note this fall class is 2 MODs, while continuing with the course is not required, continuing into the Spring MODs would allow for the completion of class projects.*

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Sample Concentration Sequence

Year One – Development Track				
	MOD I	**MOD II**	**MOD III**	**MOD IV**
Required	MBA Core Curriculum		MBA Core Curriculum + Real Estate Process [MBA 852]	
				Real Estate Macroeconomics and Securities Markets [MBA 853D]
Electives	See MBA Program Guide		ARGUS Certification †	
Year Two – Development Track				
	MOD I	**MOD II**	**MOD III**	**MOD IV**
Required	Real Estate Law** [MBA 853B]	Real Estate Development Process[1]** [MBA 854 - Final Project Required]		Financing Real Estate in Today's Capital Markets[2]** [MBA 853E]
Electives	See MBA Program Guide	International Real Estate** [MBA 853C]	ARGUS Certification †	See MBA Program Guide

Year One – Investments and Finance Track				
	MOD I	**MOD II**	**MOD III**	**MOD IV**
Required	MBA Core Curriculum		MBA Core Curriculum + Real Estate Process [MBA 852]	
			ARGUS Certification †	Real Estate Macroeconomics and Securities Markets [MBA 853D]
Electives	See MBA Program Guide			
Year Two – Investments and Finance Track				
	MOD I	**MOD II**	**MOD III**	**MOD IV**
Required		Real Estate Development[1]** [MBA 854A] No Project Required		
	Real Estate Law** [MBA 853B]	International Real Estate** [MBA 853C]	ARGUS Certification †	Financing Real Estate in Today's Capital Markets[2]** [MBA 853E]
Electives	See MBA Program Guide			

*NOTE: The timing of classes may change from year to year. For a complete list of the current year electives offered and the timing of electives, check the MBA program guide. *Open to First years ONLY **Open to Second Years ONLY*

† ARGUS Certification completed in either year will meet Finance requirement

[1] Prerequisite, MBA 852 Real Estate Process

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[2] *Prerequisite, MBA 853D* Real Estate Macroeconomics and Securities Markets *(class of 2014, Permission of Instructor needed)*