



COURSE SYLLABUS

COMPARATIVE GLOBAL REAL ESTATE

FALL 2017

PLANA 6341 1.5 CREDITS

Instructor:

Patrice Derrington
411 Avery Hall
pad2160@columbia.edu

FALL SESSION B:

Mondays 4-6 pm
200 Fayerweather

Course Assistants:

COURSE DESCRIPTION

This course is designed to provide students with a comparative and critical approach to undertaking international real estate development projects, transactions and investments - it aims to cultivate a general understanding of the dynamics of real estate developments and investments internationally as a foundation for the specific analysis of the unique contexts and conditions for real estate activities within selected countries.

The comparative analysis will generally reference three countries – China, Brazil, and the United Kingdom - through the identification and evaluation of the conditions pertinent to cross-border real estate development and investment: the macro-economy and demographics, financial markets, currency concerns, taxation, legal issues, land use policy, political activity, regulations and statutory requirements, and cross-cultural negotiations. Current global topics will be used to anchor learning and be the basis for class discussions in this comparative analysis.

The course is a prerequisite for participating in the Study Trips offered to students in the Spring Break. In this course, the various Study Trip destinations are addressed with respect to their investment return potential and possible challenges, thereby preparing students for an intensive and detailed Spring course including the Study Trip whereby they supplement their classroom understanding with “on-the-ground” details of real estate investing with the intention of proposing a cross-border financial transaction in the country visited.

This course may be suitable for students from a wide variety of backgrounds and interests, especially in the areas of real estate development, real estate finance, international real estate investing, development policy and urban issues.

Course Objectives:

By the end of the semester, students will have developed:

1. A nuanced understanding of the inter-connections between the multitude of issues comprising international real estate development projects, transactions and investments; and
2. The critical, comparative, and analytical tools for undertaking a variety of international real estate development projects, transactions and investments.

COURSE REQUIREMENTS

Students will be expected to attend all classes, complete assigned readings (posted on Canvas) prior to class and participate in class discussions, as these will factor into the final grade.

Assignment Details:

During the course, as a final deliverable, students (in groups of 4 max.) will be required to:

- Prepare a comprehensive **COUNTRY ANALYSIS** for one of the Study Trip countries:
 - China, Brazil, or the United Kingdom
- This COUNTRY ANALYSIS will utilize the Analytical Framework developed in class and will be submitted in 3 Sections:
 - A. Country Overview:
 - a. Fundamental demographic, geographic and economic data
 - b. Formal or Direct Barriers for cross-border business activities
 - B. Investment Opportunity and Risk Analysis:
 - a. Informal or Indirect Barriers for cross-border business activities
 - b. Real Estate Market & Trends
 - C. Presentation: Summary of a Cross-Border Real Estate Development or Investment Opportunities and Risks. The most attractive property type, scale and general location should be indicated.

COURSE GRADING CRITERIA:

Grades will be weighted and assigned as follows:

- 1) Attendance and class participation in the discussion of technical material, quizzes, and case studies: 10%.
- 2) Assignment 3 parts (90%):
 - a. Section A (30%)
 - b. Section B (30%)
 - c. Presentation (30%)

COURSE READINGS

There is no required textbook for the course.

Recommended Reference Textbooks, which are available in the Avery library, bookstores, or may be ordered on-line:

Cross Border Real Estate Practice by Terry A. Selzer, 2013, American Bar Association.

Global Property Investment: Strategies, Structures, Decisions (with website) by Andrew Baum & David Hartzell, Wiley-Blackwell 2012.

The Global Property Investor's Toolkit by Colin Barrow, Wiley, 2008

International Real Estate: A Comparative Approach by Mark Lee Levine, Dearborn Real Estate Education – e-book, available at Amazon.com

ELECTRONIC RESOURCES

Canvas @ Columbia:

Columbia University's online Canvas system will be used for posting the course syllabus, selected class materials/handouts, hyperlinks to locations from where case studies and additional reading materials to be used in the course could be found and/or purchased by students. Canvas will also be utilized for the posting by students of all Case Study and Capstone submissions. Canvas will also be utilized as a tool for the instructor and Teaching Assistants to post announcements, and also for the instructor and students to connect outside of the classroom more consistently and conveniently.

Student Laptops and iPhones:

- **NO LAPTOPS, IPADS, OR PHONES ARE TO BE ACCESSED DURING CLASSES, unless instructed by the professor.**
- Laptops will be used for downloading, completing and submitting Assignments.

SESSION TOPICS (Subject to Change)

Oct 30

**Class 01: Course Introduction. Going Global!
Analytical Framework for International Real Estate Development Projects, Transactions, and Investments.**

Nov 6 No class

Nov 13

Class 02: Comparison of Three Destinations for Cross-border Investment:

- Differences in macroeconomic, political and social context
- Due Diligence on markets and investments
- Cultural Differences in transactions and processes

Submission: Section A Country Overview

Nov 20

Class 03: Legal Description (Ownership and Title Issues), Leases, Courts (Legal Redress) and RE Debt Markets. Currency/Foreign Exchange ("To Hedge or Not to Hedge" and Hedging Techniques) & Central Banks and Current State of Affairs in Global Monetary Policy.

Nov 27

**Class 04: How Toll Bros Evaluates Cross-Border Expansion Potential
Guest Lecture by Fred Cooper, EVP of Strategy, Toll Bros
Submission: Section B Investment Opportunity & Risk Analysis**

Dec 4

Class 05: Corruption & Bribery, Transparency and International Tax (Tax Treaties, FIRPTA and Sample Structures)

Dec 11

Class 06: Presentations: Summary of Cross-border Real Estate Development or Investment Opportunities and Risks.