

COURSE SYLLABUS
ASSET MANAGEMENT AND OWNERSHIP
SPRING 2018
PLANXXX
1.5 CREDITS

THURSDAY 3:30pm – 5:30pm, AVERY 113

Instructor: Sara B. Queen

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Class assistant: Full name

Columbia email

Additional contact info (e.g. cell phone if relevant)

I. COURSE DESCRIPTION

ASSET MANAGEMENT AND OWNERSHIP will study the issues that impact an asset from initial investment through disposition, with a particular spotlight on revenue, repositioning strategies, hold-sell analysis, and operations. The focus will be on demonstrating how effective asset management works with property management, leasing, construction/development and accounting to maximize financial performance. Overall, the class will emphasize real-world issues and examples through the life cycle of an asset. Asset Management is a key player in maximizing investment returns and a thorough understanding of this discipline positively impacts the student's understanding of the other disciplines (i.e. development, acquisitions, etc.). While all the major product types are covered, there is more emphasis on office.

The course is structured primarily as a series of lectures.

II. COURSE REQUIREMENTS AND ASSIGNMENTS

Students will be expected to be active participants in class, taking notes and asking questions. Each week following the class, a short class participation survey will be sent via the internet that students will be expected to complete.

Major Deliverables for this class include:

- **Final Strategic Plan** – Student groups will be given an asset management scenario along with a Sale Offering Memorandum. They will then be responsible for developing a strategic/business plan that addresses the asset management situation.

In addition to the Strategic Plan, there will be three smaller assignments worth 10% each

III. COURSE GRADING CRITERIA

- Attendance and in-class participation (including satisfactory completion of each After Class Survey 30%
- Reviewing a Budget exercise 10%
- Virtual Building Tour 10%
- Mini Case: Lobby Renovation 10%
- Final project: 40%

Only exceptional performers will receive a High Pass. Those who fall short on more than one major assignment will receive a Low Pass.

IV. READINGS

If outside readings are assigned, Students will be expected to complete readings in advance of class. There is no required textbook.

V. COURSE OUTLINE

Class 1: WHAT IS ASSET MANAGEMENT AND WHY IT ROCKS

January 18th, 2018

- Intro to the class.
- Relevant issues in asset management
- Property type specific characteristics and issues
- Ownership structures and their impact on asset management

Class 2: REVENUE, REVENUE AND (HOPEFULLY) MORE REVENUE

January 25th, 2018

- Leasing (from an asset management perspective)
- Alternative revenue sources
- Budgeting
- Understanding NOI and Cash Flow

Assignments due: **Reviewing a Budget**

Class 3: THE LIFE CYCLE OF AN INVESTMENT - WHAT HAPPENS BETWEEN BUYING AND SELLING?

February 1st, 2018

- Asset Management's roll in development/acquisitions
- Transition from Acq. to Operating Budget
- Executing on Underwriting
- Inspections/design
- Capital Projects

Assignments due: **Virtual Building Tour**

Class 4: INCREASING VALUE THROUGH REDEVELOPMENT AND RENOVATIONS F

February 8th, 2018

- Seizing an opportunity
- Defensive renovations
- Lipstick on a pig
- City/state partnerships
- Changing Use of Space

Assignments due: **Mini Case: Lobby Renovation**

Class 5: KNOW WHEN TO HOLD 'EM

February 15th, 2018

- Hold periods and sale triggers
- Strategies for achieving returns
- The use of debt
- Reporting

Class 6: INITIAL (DRAFT) STRATEGIC PLAN PRESENTATIONS

February 22nd, 2018

- Class presentations – Strategic plans

Assignments due: DRAFT Strategic Plan (Presentation only)

Class 7: ISSUES IN ASSET MANAGEMENT

March 1st, 2018

- Operations/Property management
- Topics from Class
- Wrap Up

Assignments due: **FINAL STRATEGIC PLANS**

VI. FINAL STRATEGIC PROJECTS

Asset Management typically develops annual Strategic (Business) Plans for the assets and then spends the year implementing those plans to achieve the forecasted returns. The Plans are typically written documents that are sent to the client (after internal review and approval) and then the Plan will be presented to the client. The Plans include the approval of the budget for the asset (inc. capital budget), leasing plan, as well as more strategic issues like value and hold/sell recommendations.

Overview: This is a two-part project to simulate the preparation and presentation of an Asset Strategic (Business) Plan. The “Plan” guides the operations and strategy of an asset over the course of a year and lays out goals for the asset team to achieve. You will be reviewing an Offering (Sales) Memorandum prepared on a property and then use that information to write a business plan for the asset. In addition, your team will then have 10 minutes to present a draft plan to the class to get feedback before your final Plan is submitted. The written Plan is due by **3pm** on March 1st. The draft presentations will take place on February 22nd. All members of the team are expected to participate.

Key Dates:

- Team Assignments finalized (Feb. 1)
- Information Packages posted (Feb. 1)
- Strategic Plan due date
 - Draft Presentation February 22nd
 - The in-class presentation should be sent by 9 am on the 22nd
 - Class Presentations – 10 min. for each group (there will Q&A after).
 - March 1st for the written plan (by 3pm)

More Information will be provided as we near this assignment.