

University of Maryland
School of Architecture, Planning, and Preservation
Colvin Institute of Real Estate Development

SYLLABUS: RDEV 350

Real Estate Development: Introduction to Principles, Process, and Practice

An introduction to the basic principles of real estate development: How real estate and communities get built and how value is created. The emphasis is on entrepreneurship and an experiential learning approach to the entrepreneurial real estate development process, principles, and practice.

COURSE INFORMATION

Prerequisite: RDEV 250; Permission of the department

Credits: 3

Course Date/Time: TBA

Classroom: Architecture Building; Room: TBA

Readings: Poorvu and Cruikshank. The Real Estate Game: The Intelligent Guide to Decision making and Investment. The Free Press, 1999.

Additional readings will be posted at least two weeks in advance to ELMS.

Professors:

Contact Info:

Office Hours: By appointment before or after class

At Arch Building, Colvin Institute Office, Room 1121

Computer: Ownership of or access to a personal computer is required.

Student should also have access to Microsoft Office

Software (Free!): TERPware: (<https://terpware.umd.edu/Windows>) is the software download website for the University of Maryland, College Park. Various software products are available for download and use by UMD students, faculty, and staff through agreements managed by the Division of IT between the university and software companies.

Incoming students can download software beginning 24-48 hours after they have registered for classes.

Recommended Software Downloads available for PC:

- Office Professional Plus 2013 – Student or Office Professional Plus 2010 – Student
- Acrobat XI Professional
- Windows 7 Ultimate or Windows 8 – Professional – Student (If you are currently running earlier versions of Windows such as XP).
- Adobe Creative Suite

COURSE OBJECTIVES

1. Acquaint students with an overview of the real estate industry – the development and investment process, the roles of the multiplicity of parties to the process, the politics and citizen involvement in the development of real estate.
2. Build awareness of the main core types of real estate types (residential, retail, office, industrial and hospitality), the types of companies, regionally and nationally, that operate in those arenas
3. Use and develop critical business skills in oral and written communication, analytical thinking, presentation skills, and effective business formats.
4. Undertake a basic analysis of the development potential of a real property site in this region, including a simple market analysis, entitlement issues and financial returns.
5. Provide a foundation for further study of all aspects of real estate development.

COURSE POLICIES

1. Class Participation: This is an undergraduate seminar course. It is essential to the class, the professors, and other students that you are present for each scheduled session on time and remain for the entire time. Class participation by all students is key to the learning experience. The University has standard course related policies regarding attendance, the University's Excused Absence Policy, and other matters that you should review carefully. The course related policies can be found here: <http://www.ugst.umd.edu/courserelatedpolicies.html>.
2. Excused Absences: Per University policy, an excused absence is an absence for which the student has the right to receive, and the instructor has the responsibility to provide, academic accommodation. The University has standard course related policies regarding class participation, the University's Excused Absence Policy, and other matters that you should review carefully. The course related policies can be found here: <http://www.ugst.umd.edu/courserelatedpolicies.html> and here: https://faculty.umd.edu/teach/attend_change.html. Documentation must be provided for all excused absences, and must be approved in advance, unless they meet the University criteria for an emergency.

Informing your instructor that you will miss class for an excused documented reason does not change the due date of assignments. For emergency excused absences where it was not possible to turn in the assignment prior to class, you must propose an accommodation in writing and a schedule for turning in your work by Friday of the same week it is due. Exceptions to that would be very rare, but if necessary email or have a representative email Professor.

Traffic and work are not emergencies and do not qualify for an excused absence.

3. Incident Weather: Official closings/delays are announced on the campus web site:

www.umd.edu and through local radio and TV stations. Any loss of class time resulting from delays or closing will be rescheduled.

4. Course Communications: You are responsible for providing a working email address that will be incorporated in a group email file to be used by the instructor. You should be sure that this is also the email address that you use to receive University email (make any change in www.testudo.umd) -- as this is where the University and Program sends graduation and other announcements; if your Testudo/University email is not the one you check regularly, you will not receive emails through the system.

ELMS will be used in this course, so you will need to check the website regularly.

5. Cell phones/laptops/other electronic devices: Please silence and put away all cell phones when you come to class. The only electronic devices that may be used are laptops/iPads/the like that you are using for note-taking purposes only. If you are found to be using electronic devices for any purpose other than note-taking, you will be asked to deposit the device at the front of the classroom for the entire class.

Research shows that the human brain better retains information if you use a writing instrument (pen or pencil) and take notes on paper. We highly recommend this method, and use it ourselves.

We will not post to ELMS or distribute in any manner PowerPoints or other types of presentations used in lectures or guest lectures. Pay attention, and take notes.

6. Copyright Notice: Class lectures and other materials are copyrighted and may not be reproduced for anything other than personal use without written permission from the instructor.
7. Computers: Ground Floor PC Computer Lab and upstairs lab on the South Side of the Mezzanine are open to you 24/7 for working with installed programs. Homework may be printed there prior to the start of class (although equipment and paperless situations arise; best to bring your homework preprinted).
8. Academic Integrity: The University of Maryland, College Park has a nationally recognized Code of Academic Integrity, administered by the Student Honor Council. Along with certain rights, students have the responsibility to behave honorably in an academic environment. Academic dishonesty, including cheating, fabrication, facilitating academic dishonesty, and plagiarism, will not be tolerated. Plagiarism for those of you who have been out of school a while includes the use of the words, or ideas, of another person, without attribution.

Academic dishonesty is a corrosive force in the academic life of a university. It jeopardizes the Apathy or acquiescence in the presence of academic dishonesty is not a neutral act. Histories of institutions demonstrate that a laissez-faire response will reinforce, perpetuate, and enlarge the scope of such misconduct. Institutional reputations for academic dishonesty are regrettable aspects of modern education. These reputations become self-fulfilling and

grow, unless vigorously challenged by students and faculty alike.

All members of the University community-students, faculty, and staff-share the responsibility and authority to challenge and make known acts of apparent academic dishonesty.

Any of the following acts, when committed by a student, shall constitute academic dishonesty:

- CHEATING: intentionally using or attempting to use unauthorized materials, information, or study aids in any academic exercise.
- FABRICATION: intentional and unauthorized falsification or invention of any information or citation in an academic exercise.
- FACILITATING ACADEMIC DISHONESTY: intentionally or knowingly helping or attempting to help another to violate any provision of this Code.
- PLAGIARISM: intentionally or knowingly representing the words or ideas of another as one's own in any academic exercise.

The Code sets standards for academic integrity at Maryland for all undergraduate and graduate students. As a student you are responsible for upholding these standards for this course. It is very important for you to be aware of the consequences of cheating, fabrication, facilitation, and plagiarism. You should review carefully the information on the Code of Academic Integrity or the Student Honor Council at <http://shc.umd.edu/SHC/HonorPledgeUse.aspx>.

Student Honor Pledge: Each assignment and exam is assumed to include the following pledge: "I pledge on my honor that I have not given or received any unauthorized assistance on this assignment/examination."

WORKING WITH OTHERS There are several ways to "work with others" on a project in this class. Some are acceptable, and one is NOT. Please pay close attention to what the options are below.

A. **CONSULTING (ACCEPTABLE)** Looking to find additional learning support for an assignment is acceptable. Before you give up (or move beyond acceptable consulting) or call your instructor, you are welcome to:

- Check self-teaching books or on-line for on-line tools that provide additional support in practicing the type of assignment prepared. Particularly for skills such as Excel, if you do not have the basics of working with Excel, there are plenty of "dummy" books and on line tools to refresh or teach you the basics. (Not much different than studying alone, but okay to look for additional teaching and practice outlets.) You are encouraged to use the internet to research Excel errors, challenges and formulas.
- Talking with a fellow student in the class (short of doing the work together as in section 3. below, or copying some or all of their work, Section B. below). You should not impose on your fellow students if you have simply missed class, other than a brief did you take notes, or what is the

- 5 minute version of what you learned.
- Working with a Group of fellow students and practicing in a lab together, where each person is doing their own work, but you can ask a colleague "how" to do something, but not "the answer."

B. USING OTHER'S WORK (NEVER ACCEPTABLE) – Taking a part or a whole of the work of another student, either a classmate or someone who has taken the course previously, is NEVER acceptable. (This is considered plagiarism and is prohibited by the University's rules. If it is discovered (and that is likely to happen), you will receive a 0 on the assignment and be referred to the Director. A second offense would result in dismissal from the class, or even the University. Don't do it. Besides you don't learn anything when you do this, wasting your money and leading to false credentials!!

Failure to Abide: If you are involved any obtaining unauthorized assistance, or plagiarism, or any other activity that violates the academic integrity of your work or the work of others you may earn a failing grade for the course, or be subject to dismissal from the Program.

9. Students with Disabilities: If you are a student that requires special accommodations during the semester, you should make an appointment to meet with the Professor as soon as possible if you to address any accommodations you may need. Students with disabilities can also register with the University Disability support services at www.counseling.umd.edu/DSS/.
10. Course Evaluations: You are responsible for submitting the formal University course evaluation for this course at CourseEvalUM in order to help faculty and administrators improve teaching and learning at Maryland. Please make a note now of the dates and the link at which you can access the submission system (www.courseevalum.umd.edu). If you submitted all of your evaluations in the fall or are a new student, you can also access all posted results from Fall 2007 forward via Testudo under CourseEvalUM Reporting. To retain this access, you must submit all of your evaluations each semester. More information is at: https://www.irpa.umd.edu/Assessment/CourseEval/stdt_faq.shtml.
11. Learning Assistance Service (LAS): If you are experiencing difficulties in keeping up with the academic demands of this course, contact the Learning Assistance Service, 2202 Shoemaker Building, 301-314-7693. Their educational counselors can help with time management, reading, math, writing skills, note-taking and exam preparation skills. Of particular interest to graduate students is the opportunity to work individually with academic specialists, as well as attend any LAS workshops. LAS also has a specialized structured writing group for international graduate students. There are new web based self- instruction tools that have been collated by the Graduate School that take you directly to sites that can help with grammar and basic writing skills if needed. All services are free to UMD students.

COURSE REQUIREMENTS

1. Grading: Grading will be on the curve distributed among the following areas:

Weekly assignments and in-class Assignments	40% (400 points)
Final critical book review	30% (300 points total; 150 for report (75 content;75 writing) and 150 for Presentation (75 for content; 75 for presentation)
Midterm exam	20% (200 points)
Participation	10% (100 points)

Each written assignment (weekly assignments, in-class assignments, and the final critical book review) will be graded utilizing a dual grading system, with 50% of the points for the given assignment based on content and 50% based on business writing.

Content criteria (50% of points):

- a) Depth of analysis
- b) Synthesis of information
- c) Connection between assumptions; persuasive argument
- d) Demonstration of clear understanding of the material presented
- e) Details that support the content

Business writing criteria (50% of points):

- a) Concise (short sentences, avoid compound sentences)
- b) Logical (points are logically connected and support a main point)
- c) Standard English grammar and structure
- d) Business formal (no vernacular, no slang, nothing flowery, no contractions)
- e) Business style (1 inch margins, 12 pt font in Arial, Calibri, Verdana, or Times New Roman)¹
- f) Organized with introduction (or summary), and section and subsection headers

Each oral assignment (the presentation) will be also graded utilizing a dual grading system, with 50% of the points for the given assignment based on content and 50% based on presentation. For group presentations, points will be given for the group as a whole, as well as individual points for your part of the presentation. You will also be given points for your individual participation in evaluating the other groups' presentations.

Content criteria (50% of points):

- a) Structured content
 - i. Story board (beginning, middle, end)
 - ii. Three-peat
 - Summarize what you will present
 - Present information
 - Summarize what was presented
- b) Simplicity: The rule of 3s and 5s
 - i. 3 key points with 5 supporting points each, or

¹ In-class assignments may be handwritten, but must still be written in a business formal format.

- ii. 5 key points with 3 supporting points each

Presentation criteria (50% of points):

- a) Professional presentation of self (effective body language, clear articulation)
- b) Audience engagement (dynamic/energetic presentation, not read from notes)
- c) Visual presentation (powerpoint 10/20/30 rule, interesting images)

Weekly assignments, in-class assignments, and presentations will be announced at least a week or more in advance and will be posted on the ELMS site for RDEV 350. The midterm exam and the final presentation may not be missed. If you have an excused absence for a given week but still wish to turn in the weekly assignment for that week, the assignment is due before the date of the absence (unless it is an emergency absence).

All written assignments must be proofread and delivered in a professional and business-like manner. Your answers should progress logically from one thought or step to the next. They should be presented in the format required. Follow the directions and show all your work; details matter.

2. Late submissions: Weekly assignments, in-class assignments, and the final critical book review must be submitted (or in the case of the presentation, delivered) in class on the day it is due, in writing and in person (and orally, in the case of the presentation). Check your Course Schedule. Submissions will not be accepted after the class session at which the assignment is due has concluded, except as noted below. Email submissions will not be accepted.

Weekly assignments and in-class assignments must be submitted (or in the case of the presentation, delivered) in writing and in person on the date due, unless you have an excused absence with the proper documentation as required by University policy. The two lowest grades received for weekly assignments will be deducted from each student's total points. This includes any assignments not turned in due to an excused or unexcused absence. Permission need not be requested for an unexcused absence, but documentation must be provided for all excused absences, and must be approved in advance, unless they meet the University criteria for an emergency. The weekly assignment in response to the site visit, the midterm exam, and the final presentation are required and may not be "skipped".

Traffic and work are not emergencies and do not qualify for an excused absence. Save your "skip" weeks for emergencies. Informing your instructor that you will miss class for an excused documented reason does not change the due date of assignments. For emergency excused absences where it was not possible to turn in the assignment prior to class, you must propose an accommodation in writing and a schedule for turning in your work by Friday of the same week it is due. Exceptions to that would be very rare, but if necessary email or have a representative email Professor with the explanation and request.

3. Off-site visit: One Saturday site visit is listed on the Course Schedule. It is a requirement of this course that you attend this site visit.
4. News and current events: We encourage each student to subscribe to either the Washington

or Baltimore Business Journal (student rates are available). These should also be available in the ARC Library. Discussions of current real estate news and short synopses may be required on certain weeks. Check your Course Schedule.

5. Class participation and business conduct: You are expected to have read the assigned material and be prepared to participate in class discussion each week. 10% of your grade in this course is based on in-class participation. Business-like conduct is expected at all times. If you are late to class, do not enter the classroom during a guest lecturer's presentation. Many industry participants lecture these classes. Coming late to class is not only disruptive to the other members of the class, but is not a good representation of yourself, or the program, to potential employers.

BRING YOUR NAME TENT AND USE IN EVERY CLASS PERIOD.

6. Examinations: This is primarily a discussion and analysis course, but there will be an in-class mid-term exam to confirm knowledge basics. There may also be brief quizzes at the beginning of a class. Be prepared, as weekly quizzes will not be announced in advance.

COURSE SCHEDULE

Week 1

Topic: Introductions; Course expectations; Review of syllabus and course schedule; Types of assignments; Overview of business writing, Discussion of history and future of development

Reading Due: None

Assignments Due: None

Week 2

Topic: Development process; parties and legal framework overview; Discussion of this week's assignment

Reading Due: 1) Rybcznski, Witold. Last Harvest: From Cornfield to New Town. pp. 3-23

Poorvu.

2) The Real Estate Game. pp. 145-190

Assignments Due: Find an article on a timely topic in real estate in Maryland, and prepare a bulletpoint synopsis (no more than one page) of the article (35 points); be prepared to discuss your chosen topic in class.

Week 3

Topic: Macro and micro economic factors; Market analysis; In-class responsive memo (15 points) and discussion, Feasibility study and due diligence processes Discussion of this week's assignment

Reading Due: 1) "Millennials' Influence on New Home Demand." RCLCO, November 2014

2) Poorvu. Appendix B (Commercial Real Estate Due-Diligence Checklist). pp. 293-298

Assignments Due: Find an article on a redevelopment project or land use issue (preferably controversial) in the DC/Maryland/Virginia area; prepare a bulletpoint summary (no more than one page) (35 points); be prepared to discuss your chosen article in class

Week 4

Topic: Discussion of this week's assignment, Development law: Land use and zoning entitlements, politics, and public engagement

Reading Due: 1) "An Introduction to the Development Process in Maryland". pp. 1-8

2) Seminal land use law cases:

a) Required: *Village of Euclid, Ohio v. Amber Realty Co.*

b) Extra credit: *Mayor and Council of Rockville v. Rylyns Enterprises, Inc.*

Assignments Due: 1) Prepare a bulletpoint summary (no more than one page) of the required land use law case (35 points)

2) For extra credit prepare a bulletpoint summary (no more than half-page) of the extra credit case (20 points); be prepared to present a brief summary to the class

Week 5

Topic: Saturday site visit (takes place of class on 11/23)

Reading Due: "Understanding Opportunities and Challenges: A Review of the Purple Line Transit Corridor." National Center for Smart Growth Research and Education, June 2015

Assignments Due: Prepare a bulletpoint summary of the assigned reading (no more than one page) (35 points)

Week 6

Topic: Financing the deal; In-class responsive memo (15 points) and discussion; Discussion of this week's assignment

Reading Due: Poorvu. The Real Estate Game. pp. 13-43, 82-107

Assignments Due: Prepare your reaction to the sites we visited on Saturday (no more than two pages) (40 points)

Week 7

Topic: Land planning, architecture, landscape architecture, and urban design; In-class responsive memo (15 points) and discussion; Discussion of this week's assignment

Reading Due: 1) Shoup. The High Cost of Free Parking. pp. 1-15

2) Jellicoe. The Landscape of Man: Shaping the Environment from Prehistory to the Present Day. pp. TBD

Assignments Due: Group A: Choose a master plan from Montgomery County

Group B: Choose a master plan from Prince George's County

All: Review landscape, architecture, and urban design sections; and prepare a bulletpoint synopsis (no more than one page) of those sections (35 points); be prepared to speak in class to the challenges and opportunities posed by the recommendations in the master plan

Week 8

Topic: In-class midterm exam (100 points); Hot topics in real estate; Discussion of this week's assignment

Reading Due: None

Assignments Due: 1) Review prior assigned readings and notes in preparation for mid-term exam, 2) Find an article on a "hot topic" in real estate (examples include gentrification of city neighborhoods, the emergence of micro-units, changes in office space and how that affects the market, etc.); prepare a bulletpoint synopsis (no more than one page) of the article (35 points); be prepared to discuss your chosen topic in class

Week 9

Topic: Construction scheduling and process; Discussion of this week's assignment; Assignment of final critical book review project and presentations

Reading Due: Readings to be posted

Assignments Due: Find an article on an upcoming redevelopment project or one currently under construction in DC/MD/VA; prepare a bulletpoint synopsis (no more than one page) of the article (35 points); be prepared to discuss your chosen project in class

Week 10

Topic: Post-construction and property management; Discussion of this week's assignment; Oral presentation principles

Reading Due: Poorvu. The Real Estate Game. pp. 191-224

Assignments Due: Responsive memo (35 points); be prepared to present the main points from your memo in class discussion

Week 11

Topic: Special topics: Environmental issues in the development process; Discussion of this week's assignment

Reading Due: 1) Witkin. Environmental Aspects of Real Estate and Commercial Transactions. pp. 253-269, 589-623

2) The Green Book for the Buffer. pp. 7-18

Assignments Due: Responsive memo (35 points); be prepared to present the main points from your memo in class discussion

Week 12

Topic: Special topics: Affordable housing; Discussion of this week's assignment

Reading Due: Downs. Growth Management and Affordable Housing: Do They Conflict? pp. 20-66

Assignments Due: Responsive memo (35 points); be prepared to present the main points from your memo in class discussion

Week 13

Topic: Special topics: Public-private partnerships; Discussion of this week's assignment

Reading Due: Nelson. Foundations of Real Estate Development Financing: A Guide to Public-Private Partnerships. pp. 1-38

Assignments Due: Responsive memo (35 points); be prepared to present the main points from your memo in class discussion

Week 14

Topic: In-class work on presentations; Completion of the UMD course evaluation

Reading Due: None

Assignments Due: Final critical book review due

Week 15

Topic: Final group presentations

Reading Due: None

Assignments Due: None

Week 16

Topic: Final group presentations

Reading Due: None

Assignments Due: None

