

PROPOSED REVISIONS TO

THE DUAL DEGREE
**MASTER OF BUSINESS ADMINISTRATION/MASTER OF REAL ESTATE
DEVELOPMENT**

BETWEEN

**THE UNIVERSITY OF MARYLAND, COLLEGE PARK
ROBERT H. SMITH SCHOOL OF BUSINESS**

AND

**THE UNIVERSITY OF MARYLAND, COLLEGE PARK
SCHOOL OF ARCHITECTURE, PLANNING AND PRESERVATION**

Presented by:

ROBERT H. SMITH SCHOOL OF BUSINESS
ALEXANDER J. TRIANTIS, DEAN

and

SCHOOL OF ARCHITECTURE, PLANNING AND PRESERVATION
DAVID CRONRATH, DEAN

_____, 2018

UNIVERSITY OF MARYLAND
DUAL DEGREE PROPOSAL FOR
Master of Business Administration/Master of Real Estate Development (MBDV)

Approved by the Faculty of the School of Architecture, Planning and Preservation [Date]
Approved by the Faculty of the Robert H. Smith School of Business [Pending].

INTRODUCTION

The University of Maryland at College Park offers an accredited Master of Business Administration Degree (see Curricula A) on a Full Time basis with day time classes on the College Park campus and on a part time basis at Shady Grove, Baltimore and downtown DC with evening classes, and a Master of Real Estate Development Degree (see Curriculum B) with evening classes only on the College Park campus. Over the past few years there has been an increase in the number of students in these programs requesting to take courses in real estate or business management when they are enrolled in only one or the other, as well as prospective students inquiring whether they can take a dual or joint degree in both. At present, a student wishing to obtain both degrees must satisfy the credit requirements of both programs and can only do so sequentially: First (or second) completing 33 credits in RDEV and 54 credits in Business Management.

The School of Architecture, Planning and Preservation has a stated goal to become “an international leader in addressing land use and built form issues critical to the solution of pressing economic, social and environmental problems.” The School’s Strategic Plan further states that this goal would be achieved through several means, including by “enhancing and integrating existing professional degree programs.” The Robert H. Smith School of Business strategic plan has several objectives that would be enhanced by the offering of this dual degree. In particular, the Smith School seeks to introduce new specialty Masters variants, create a more diverse pool of graduate students, differentiate its programs through distinct design or service, and increase value from its existing programs. A dual degree program offered by the Smith School and the School of Architecture Planning and Preservation thus would contribute to achieving the goals of both Schools, respond to desires expressed by current and prospective students and put the University in a better competitive position with the business and real estate programs offered in the region, some of which do offer a dual MBA and MRED equivalent.

THE UNIVERSITY’S STRATEGIC PLAN

The MBA degree offered by the Smith School is a highly sought after, highly ranked program that prepares it’s students with a broad base of business knowledge, skills and theory applicable to a wide range of business, while the MRED program focuses intensely on the specialized knowledge and applied skills that focus on developing, financing and managing real estate assets. The combination should produce the best and most prepared to innovate and make their mark in real estate.

For a land grant institution such as the University of Maryland and a state where some of the most innovative real estate leaders and developments that have led the nation, such as Columbia, Greenbelt, the Inner Harbor, Kentlands, and clear back to Historic St. Mary’s City and innovations in Smart Growth and Affordable Housing have been taken up nationwide – it is time that Maryland embraced and taught a new generation through it’s academic programs, one of the most entrepreneurial professions a student can embrace. With their MBA courses they will have the strongest of foundations to address

finance, accounting, marketing and management, while their MRED courses will focus on the unique facets of real estate finance, plus the best in land use planning, urban and regional design, adaptive reuse, urban infill and affordable housing or other types of real estate.

We believe that by offering an MBA/MRED dual degree program, we will be contributing to the achievement of the University's goal for Maryland graduates to provide "leadership in their respective fields and . . . be known for their command of both theory and practice. They will be highly sought after, [and] recruited to . . . professional opportunities of significance and stature." Offering a dual degree will give our students the knowledge, skill and practice to compete for the top jobs in real estate finance and development, and enhance the goal that the University "act with entrepreneurial spirit in tackling big issues, seizing opportunities, and adapting quickly to changing circumstances." Maryland, as a land grant institution, will be embracing one of the significant issues of our day – how to develop real estate that is financeable, sits "lightly" on the land, efficiently uses the real estate already in place, and stewards the land and the existing and future buildings sitting on that land for the future.

Real estate finance and development with its numerous elements from finance to design, construction, urban planning and management of ongoing operations has an enormous impact on the US and world economy. With the business of real estate reaching into all aspects of our communities and institutions, from housing to work places, our institutions, including hospitals, schools and churches, to the places where we work, play and shop – real estate and the business of real estate is everywhere. Graduating sophisticated MBA students with real knowledge of real estate issues and what it takes to finance and develop our communities and graduating MRED students who have a grounding in the business analytical and management skills obtained through business management courses, is one of, and arguably, the best, approach to preparing for a high quality and impactful career in real estate.

Maryland's MRED degree was only the 6th program (started in 2006) in the US to offer a graduate degree in real estate development designed to engage the disparate array of disciplinary areas (from planning, to design, to construction and asset management, and, of course, the traditional real estate finance, valuation and market analysis), to undertake real estate finance and development. The Maryland Model took hold and there are now 24 broad based real estate programs offered through Planning, Architecture, and Business schools – often in combinations that embrace the highly complex and disparate skills and knowledge that the development, design and finance of real estate takes. The Smith School's MBA degree is one of the very best in the country and the combination of the discipline that comes with the business management skills and knowledge from a Smith degree and the breadth of knowledge and skills in the more focused area of real estate development the student's will obtain from the MRED degree will prepare the students who complete the dual degrees for unparalleled careers in real estate.

Indeed, the University's Strategic Plan calls for Maryland to be one of the great universities of the 21st Century "willing and able to be trailblazers, to link and integrate different academic disciplines. . . From its roots as a land-grant institution, Maryland has always been responsive to opportunities for joining with others to enrich the educational experience of its students, advance knowledge, and stimulate creativity." The Dual MBA/MRED degree will be another bow in the quiver of the University to enhance

innovation in education as well as innovation and entrepreneurship in a wide variety of real estate business opportunities.

And finally, the Strategic Plan calls for the University to “maintain excellent professional graduate programs that are nationally recognized for their contributions to the practice of the professions, for their forward-looking curricula, and for their spirit of innovation and creativity.” This proposed dual degree couldn’t be more in line with this goal of the Plan; as both degrees individually, and now jointly push the creative boundaries of the real estate profession, of the delivery of creative and innovate education in a forward-looking curriculum.

We believe the proposal for the dual degree MBDV [MBA/MRED] is poised to take Maryland and its students to the next level of opportunity with a forward-looking, innovative curricula which will prepare graduate students for the highest level of practice in the business of real estate.

THE CURRICULUM

The curriculum proposed (see below) requires a total of 75 credits, by combining 33 RDEV credits with 42 BUXX credits. While the total number of credits will be less than if a student took the degrees sequentially, the combination of taking the classes on an interweaving basis, thus seeing the connections with general business management theory and skills and the very applied nature of the MRED courses, the objectives for educating a coterie of students with superior skills to enter the real estate field will be assured.

In effect, the RDEV credits become comparable to specialized electives that an MBA-only student would take in their second year, but retains electives in business so that they also can deepen their knowledge in a particular area of business management as well, whether it be tax, accounting, marketing or finance. The addition of the MRED degree to the dual degree MBA credits, adds an extra semester to the standard full time MBA to make it a 2 ½ year program, or if a student elects to take summer and winter courses they could still complete both degrees in a two year time frame.

Given that MRED courses are all offered in the evening, it will be very doable for a full time College Park based student to take both BUXX and RDEV courses during the same terms. For students in the part time programs outside of College Park, the sequence of courses following the required BUXX courses will be worked out on an individual basis, although the MRED program expects to offer in the future, if the numbers of students justifies it, certain core RDEV courses at the Shady Grove and DC locations as well.

PROGRAM ADMINISTRATION

This addition of a dual degree option for MBA and MRED students will not require additional faculty or expense to the University and does not alter either of the two programs themselves. It is anticipated that initially 4 to 5 students would enroll in the program annually, but the programs determined they needed to limit or wanted to expand the number of dual degree students that would also be possible. The Schools would agree each year on the maximum number they would accept in a particular application cycle.

Dual degree applications will be reviewed by each program using their usual process and standards without modification. It will require a recommendation of admission to the Graduate School from each program independently for a student to be admitted. Because the numbers are not expected to expand the programs significantly, nor modify any of the current administrative procedures for admissions or advising, the administrative load is not expected to be other than nominally impacted by the addition of the dual degree. The catalogue and web sites will need to be updated, but otherwise no impact on staff or administration is anticipated. Other than these start up administrative tasks the ongoing admissions and operations of the two programs are not anticipated to be impacted in any fundamental or significant fashion. Both programs currently maintain an advising function for their students and advising of dual degree students will simply be a variation of those functions in each School.

The strong curriculum, as proposed in Appendix C, provides students with both the breadth of knowledge and skills inherent in an MBA program and the specialized knowledge and applied skills embraced by the MRED program. The proposed curriculum also provides value for tuition paid which is critical to the success of the dual degree program. This is accomplished not only by assuring that in 2 ½ (or even 2 years if summer and winter courses are chosen) that students can complete both degrees in a timely fashion, but that the cost, is less than it would be taking the degrees sequentially. (See the Schedules shown below).

For the dual MBA/MRED program, the students will pay tuition and fees based on the rates charged by each program (ie. for MRED courses they will pay MRED tuition rates and for MBA courses they will pay MBA rates). There will be no unique tuition rate introduced for this dual program.

Appendix A

DUAL DEGREE CURRICULUM

**MASTER OF BUSINESS ADMINISTRATION
MASTER OF REAL ESTATE DEVELOPMENT
DUAL DEGREE [MBDV
Prerequisite: B.A. or B.S**

DUAL DEGREE CURRICULUM	CREDITS
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MASTER OF BUSINESS ADMINISTRATION

Core Credits

BUSI 610 Intro to Financial Accounting	2
BUSI 630 Data, Models and Decisions	2
BUSI 640 Financial Management	2
BUSI 650 Marketing Management	2
BUSI 662 Leadership and Teamwork	2
BUSI 681 Managerial Economics and Public Policy	2
BUSI 690 Strategic Management	2
BUSI 611 Managerial Accounting	2
BUSI 634 Operations Management	2
BUSI 621/622 Technology Core Option	2
BUSI 683 Global Economic Environment	<u>2</u>
Core Total	22

BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	2
BUSI 7xx Elective	<u>2</u>
Elective Total	20

SUBTOTAL 42

RDEV Required Courses for the MBRE Dual Degree

RDEV 600^	Introduction to Principles, Process and Practice of Real Property Development	3
RDEV 610^	Real Property Law and Ethics	3
RDEV 630^*	Fundamentals of Real Property Development Finance	3
RDEV 660	Commercial Leasing	3
RDEV 688xx	Course meeting Market Analysis and Valuation cognate	

	requirement	3
RDEV 688xx	Course meeting Construction Management and Methods cognate requirement	3
RDEV 688xx	Course meeting Real Property Operations/Management cognate requirement	3
RDEV 688xx	Course meeting Planning and Entitlements cognate requirement	3
RDEV 688xx	Course meeting Urban Design cognate requirement	3
RDEV 688xx	Elective (such as Capital Markets; Tax Credit Financing; Structured Finance; Risk Management)	3
RDEV 690	Capstone Project (Research or Project Feasibility Options)	3

*Prerequisite or co-requisite for this course is an introductory accounting course at either the graduate or undergraduate level

^Students who have advanced courses or experience in real property law, practice or finance may, with permission of the Department, substitute advanced RDEV courses for these basic courses. No waiver of course credits is permitted.

Subtotal 33

TOTAL CREDITS FOR BOTH DEGREES 75

NOTE:

The MRED degree program is 33 credits and the MBA degree program standing alone has 54 credits. This dual degree proposal has 75 credits (33RDEV and 42BUSI) with the following courses counting towards both degrees.

BUSI 610	Intro to Financial Accounting
RDEV 610	Real Property Law and Ethics
RDEV 660	Commercial Leasing
RDEV 688xx	Elective (such as Capital Markets; Tax Credit Financing; Structured Finance; Risk Management)
RDEV 688xx	Course meeting Construction Management and Methods cognate requirement

DUAL DEGREE MBA/MRED SCHEDULE+

<u>FALL SEMESTER (1st year)</u>	<u>Credits</u>
BUSI 610 Intro to Financial Accounting	2
BUSI 630 Data, Models and Decisions	2
BUSI 640 Financial Management	2
BUSI 650 Marketing Management	2
BUSI 662 Leadership and Teamwork	2
BUSI 681 Managerial Economics and Public Policy	2
BUSI 690 Strategic Management	2
Subtotal	14

<u>SPRING SEMESTER (1st year)</u>	<u>Credits</u>
BUSI 611 Managerial Accounting	2
BUSI 634 Operations Management	2

BUSI 621/622 Technology Core Option	2	
BUSI 7xx Elective	2	
RDEV 600 Introduction to Real Estate Development	3	
RDEV 630 Fundamentals of Real Property Finance	3	
RDEV 610 Real Property Law and Ethics	3	
Subtotal		17

<u>FALL SEMESTER (2nd Year)</u>	<u>Credits</u>	
BUSI 683 Global Economic Environment	2	
BUSI 7xx Elective	2	
BUSI 7xx Elective	2	
RDEV 688xx Real Property Operations/Management	3	
RDEV 688xx Market Analysis OR Valuation	3	
RDEV 688xx Urban Design	3	
Subtotal		15

<u>SPRING SEMESTER (2nd year)</u>	<u>Credits</u>	
BUSI 7xx Elective	2	
BUSI 7xx Elective	2	
BUSI 7xx Elective	2	
RDEV 688xx Construction Mgmt and Methods	3	
RDEV 688xx Planning and Entitlements	3	
RDEV 688xx Real Property Operations/Management	3	
Subtotal		15

<u>FALL SEMESTER (3rd Year)</u>	<u>Credits</u>	
BUSI 7xx Elective	2	
BUSI 7xx Elective	2	
BUSI 7xx Elective	2	
BUSI 7xx Elective	2	
RDEV 660 Commercial Leasing	3	
RDEV 690 Capstone (Development Project Feasibility)	3	
Subtotal		14

Total Credits: 75

+ Students who wish to complete the dual degrees within 24 months, may, if they make that decision by the end of the first term, arrange their RDEV courses such that by taking 14 credits in Summer and Winter terms they could complete their requirements by Spring of the Second year.

Note: Students can also complete this option by enrolling in the evening MBA program in Baltimore, Washington, DC, and/or Shady Grove but the duration of the degree will be a minimum of 2 years. Those interested will construct a program layout with their advisor.

MEMORANDUM OF UNDERSTANDING

between

**THE ROBERT H. SMITH SCHOOL OF BUSINESS, UNIVERSITY OF MARYLAND
COLLEGE PARK**

and

**THE SCHOOL OF ARCHITECTURE, PLANNING AND PRESERVATION,
UNIVERSITY OF MARYLAND, COLLEGE PARK**

A DUAL DEGREE PROGRAM

**MASTER OF BUSINESS ADMINISTRATION / MASTER OF REAL ESTATE
DEVELOPMENT**

Recognizing that knowledge of both real estate development and business management expertise will offer students the skill and practice to compete for the top jobs in real estate finance and development, and enhance the goal that the University “act with entrepreneurial spirit in tackling big issues, seizing opportunities, and adapting quickly to changing circumstances”, the University of Maryland, College Park, Robert H. Smith School of Business and the School of Architecture, Planning and Preservation agree to initiate an articulated dual degree program leading to a Master of Business Administration (MBA) and Master of Real Estate Development (MRDV) degree to be offered by each school.

The Smith School of Business and the School of Architecture, Planning and Preservation agree that the combined program will require:

MBA 42 credits

RDEV 33 credits

Total 75 credits

Classes of the MBA / RDEV program will be held in both full-time and part-time formats, with a goal of completing both degrees within a three-year period. All requirements of both degrees must be completed prior to the awarding of either degree.

Both Smith School of Business and the School of Architecture, Planning and Preservation agree to appoint an “Academic/Program Cohort Director” who will be working collaboratively through the implementation of this program. Each school will maintain separate admissions processes and standards in the selection of students.

Alexander J. Triantis
Dean
Robert H. Smith School of Business

Donald Linebaugh
Interim Dean
School of Architecture, Planning
and Preservation

Wallace D. Loh
President
University of Maryland, College Park