

USC Price

Sol Price School of Public Policy

Syllabus

RED 200 – Introduction to Real Estate Units: 4

Term: Spring 2024 **Day:** Monday **Time:** 6:00 pm – 9:20 pm

Location: DMC 154

Instructor: Nick D'Argenzio, Adjunct Professor

Office Hours: to be scheduled via calendar and email request.

Contact Info:

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Professional: nick@blvdreic.com

818-281-7893 Cell

Catalogue Description

To provide a basic understanding of the real estate industry, the process of real estate development and investment and the key players involved.

Course Description

To present the fundamental principles of real estate development practices and principals. Topics include: key concepts of development, investment, purchase and sale contracts, brokerage, valuation, financing, mortgage basics and development decision-making. We will examine the relationships between real estate markets and federal, state and local government policies including zoning and their influence on real estate development, how real estate shapes our cities and communities and who are the various parties involved in the real estate industry. Product types will be discussed including retail, office, industrial, and residential (for-sale and rental). At the conclusion of the course, students will have been exposed to the basic tools needed to understand real estate development and investment decisions.

Learning Objectives

This course provides an overview of key concepts that underpin the real estate industry. The main topics include a definition of the real estate development process, the key stages in that process, the role of feasibility analysis in that process. The emphasis is on providing students who have little or no financial analysis background with; (1) an appreciation of the real estate development process; (2) a working knowledge of the critical vocabulary and concepts and (3) a

reasonable appreciation of how these concepts inform the real estate development and investment decision making process. The course is intended more to assure a reasonable understanding of these concepts than to create the ability to perform complex financial analysis.

Following the introduction to real estate development there will be a more comprehensive review of general concepts so that at the conclusion of the course, students should:

- Understand the basic processes that make up the real estate development and investment sectors
- Be familiar with the roles that comprise the real estate industry
- Examine the nature of city development and how it has evolved
- Understand the role of government in regulating land use
- Learn how zoning and government regulations affect land use and development
- Learn basic methods to value property
- Identify sources of debt and equity for commercial real estate transactions
- Understand how property ownership is held and transferred including ownership entities, brokerage, purchase and sale contracts
- Review the basic types of leases, lease clauses, leasing process and how leases impact property value
- Gain familiarity with the major product types including:
 - o *Residential(Rental and For Sale Housing & Land Development)*
 - o *Retail*
 - o *Office*
 - o *Industrial*

Prerequisite(s): None

USC Technology Support Links

Zoom information for students Blackboard help for students Software available to USC Campus

USC technology rental program

We are scheduled to meet in person, but if we need to transition to an online format, realize that attending classes online and completing coursework remotely requires access to technology that not all students possess. If you need resources to successfully participate in your classes, such as a laptop or internet hotspot, you may be eligible for the university's equipment rental program. To apply, please submit an application. The Student Basic Needs team will contact all applicants in early August and distribute equipment to eligible applicants prior to the start of the fall semester.

Required Texts

Ling, David C. and Wayne R. Archer. 2023. *Real Estate Principles: A Value Approach*, Seventh Edition. New York, New York: McGraw-Hill/Irwin.

Peiser, Richard B with David Hamilton. 2022. *Professional Real Estate Development*, Fourth Edition. Washington, DC: Dearborn Financial Publishing and The Urban Land Institute.

Grading Breakdown

Grading is a combination of four quizzes, a handful of homework assignments, participation, a midterm, and a final exam.

Grading Scale

Course final grades will be determined using the following scale A 95-100

A- 90-94

B+ 87-89

B 83-86

B- 80-82

C+ 77-79

C 73-76

C- 70-72

D+ 67-69

D 63-66

D- 60-62

F 59 and below

Course Schedule:

Week 1 (1/13/25): What is Real Estate?

- L&A Chapter 1 – The Nature of Real Estate and Real Estate Markets
- Peiser Chapter 1 & 2 – Introducing Real Estate Development and Organizing for Development

Week 2 (1/20/25): MLK Jr. No Class

Week 3 (1/27/25): How do Real Estate Projects Begin?

- L & A Chapter 2 – Legal Foundations to Value
- L & A Chapter 3 – Conveying Real Property Interests

Week 4 (2/3/25): How do We Own Real Estate?

Week 5 (2/10/25): Why do Certain Types of Real Estate Locate in Particular Places?

- L & A Chapter 4 – Government Controls and Real Estate Markets
- L & A Chapter 5 – Market Valuation and Appraisal

Week 6 (2/17/25): Presidents Day No Class

Week 7 (2/24/25): How do We Determine the Value of Real Estate?

- *L & A* Chapter 6 – Forecasting Ownership Benefit and Value – Market Analysis

Week 8 (3/3/25): How do We Determine the Value of Real Estate? Continued...

- *L & A* Chapter 7 – Valuation Using the Sales Comparable and Cost Approaches
- *L & A* Chapter 8 – Valuation Using the Income Approach

Week 9 (3/10/25):

- Midterm Review **MIDTERM EXAM**

Week 10 (3/17/25): Spring Break No Class

How do We Finance Real Estate?

- *L & A* Chapter 9 – Real Estate Finance – Laws and Contracts (Note, Deed of Trust)
L & A Chapter 10, 15 –Mortgage Types and Borrower Decisions and some Mortgage Math
The Rent vs. Buy Decision in Housing

Week 11 (3/24/25): How do We Finance Real Estate? Continued...

- *L & A* Chapter 16 – Commercial Mortgage Types and Decisions, Mortgage Application
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- *L & A* Chapter 17 - Sources of Commercial Debt and Equity Capital, Ownership Structures, Entities

Week 12 (3/31/25): What are the Key Transactions among Real Estate Players?

- *L & A* Chapter 12 – Real Estate Brokerage and Listing Contracts
- *L & A* Chapter 22 – Leases and Property Types

Week 13 (4/7/25): How do We Manage the Real Estate Investment Process?

- *L & A* Chapter 21 – Enhancing Value through Ongoing Management & Asset Management
- *L & A* Chapter 23 – Development: The Dynamics of Creating Value

Week 14 (4/14/25): Overview of Product Types

- *Peiser* Chapter 3 – For Sale Housing and Land Development
- *Peiser* Chapter 4 – Investment Residential Development

Week 15 (4/21/25): Overview of Product Types

- *Peiser* Chapter 7 - Retail Development
- *Peiser* Chapter 5 – Office Development
- *Peiser* Chapter 6 – Industrial Development

Week 16 (4/28/25): Career Opportunity Discussion

Overview of the Real Estate Industry and Careers in Real Estate Final Review

Week 17 (5/5/25): Study Days, No Class**Week 18 (5/12/25): Final Exam Week****Statement on Academic Conduct and Support Systems****Learning Experience Evaluations:**

Learning Experience Evaluations will be conducted on the final day of class. This will be your opportunity to provide feedback about your learning experience in the class. This feedback helps the instructor determine whether students are having the intended learning experiences for the class. It is important to remember that the learning process is collaborative and requires significant effort from the instructor, individual students, and the class as a whole. Students should provide a thoughtful assessment of their experience, as well as of their own effort, with comments focused on specific aspects of instruction or the course. Comments on personal characteristics of the instructor are not appropriate and will not be considered. For this feedback to be as comprehensive as possible, all students should complete the evaluation.

Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct, policy.usc.edu/scientific-misconduct.

Statement for Academic Accommodations

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. Website and contact information for DSP: http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html (213) 740-0776 (Phone), (213) 740-6948 (TDD only), (213) 740-8216 (FAX) ability@usc.edu

Support Systems:

Student Health Counseling Services - (213) 740-7711 – 24/7 on call
engemannshc.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-4900 – 24/7 on call
engemannshc.usc.edu/rsvp

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED) | Title IX - (213) 740-5086

equity.usc.edu, titleix.usc.edu

Information about how to get help or help a survivor of harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following protected characteristics: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations.

Bias Assessment Response and Support - (213) 740-2421

studentaffairs.usc.edu/bias-assessment-response-support

Avenue to report incidents of bias, hate crimes, and microaggressions for appropriate investigation and response.

The Office of Disability Services and Programs - (213) 740-0776

dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Support and Advocacy - (213) 821-4710

studentaffairs.usc.edu/ssa

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call
dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call
dps.usc.edu Non-emergency assistance or information.