



The Leon Recanati Graduate School of Business Administration

Project: International Real Estate – 1231-7310

Prerequisites:

Completion of the following courses:

1. Foundations of Finance (1231.2410)
2. Economics for Business Administration (1231.2210)

In addition, it is required to complete or simultaneously attend one of the following courses:

1. Real Estate Finance and Economics (1231.3312)
2. Real Estate Analysis and Investments (1231.3362)

Parallel or similar courses will be examined by the Course Lecturer.

Second Semester – 2021/22

Section	Day	Hour	Lecturer	Email	Telephone	Office
	Tuesday	15:45-18:30	Prof. Danny Ben-Shahar Yisrael Cimerring, CPA	bdanny@tauex.tau.ac.il yisrael@cimerring.com	036409957 0544403688	420

Office Hours: By appointment.

Course Units

2 course units = 8 ECTS units

The ECTS (European Credit Transfer and Accumulation System) is a framework defined by the European Commission to allow for unified recognition of student academic achievements from different countries.

Course Description

This is an applied course aiming to provide students with an up-to-date understanding of the various aspects of real estate theory and practice as applied to the North American and, specifically, the Canadian real estate market. The course will provide a real-life learning experience of the Canadian market including the financial, legal, development, and business aspect along with government policy and regulations in both the private and public sectors. The course includes academic and professional lectures, site tours, case presentations by bankers, brokers, real estate developers, pension planners, REIT managers, and lawyers. The core part of the course includes an intensive one-week field trip of the real estate market in Toronto – one of the world leading real estate markets. The Toronto field trip includes tours and meetings with major

real estate players of the Canadian real estate market (other than a modest commitment fee, all expenses of the field trip are covered by the Alrov Institute for Real Estate Research at the Collier School of Management).

A series of lectures are held in Israel prior to the field trip. In those class meetings, students are introduced with concepts related to North American real estate business. Student also study and actively present the companies to be visited in Toronto. In addition, students submit a final project report that includes an analysis of a proposed real estate project or subject, applying the knowledge and tools acquired during the course. Students present and discuss their projects in class.

Covid-19:

Due to the Covid-19 pandemic, students who wish to participate in this course are required to be fully vaccinated and obtain the Green Pass ("Tav Yarok") throughout the entire semester.

The Field trip will be conducted based on the availability of global traveling during the Covid-19 Pandemic. In case there are restrictions on global traveling at the time of the field trip that prevent the delegation from traveling to Canada, the course will proceed without the field trip and meetings with Canadian real estate market players will be held via zoom.

Among others, a necessary condition for course participation is fluency in English and active participation in all class meetings. All lectures will be delivered in English.

Course Objectives

Upon completion of the course, the student will:

- Understand and be able to analyze real estate transactions with particular focus on the real-world practices of the Canadian and North American real estate market.
- Understand the various aspects and steps of real estate market investment process including deal analysis, financing strategies, and legal aspects.
- Be able to assess the major differences between the Canadian and Israeli real estate markets.
- Be able to write a comparative/analytic report on a major real estate issue, assessing local and global markets.

Evaluation of Student and Composition of Grade

Percentage	Assignment	Date	Group Size/Comments
30%	Active Class Participation		Individual
15%	Final Project Presentation	Following the field trip	Groups of two students
55%	Final project report	Submission of the final project report will be no later than June 15, 2022.	Groups of two students

- * According to University regulations, participation in all classes of a course is mandatory (Article 5).
- * Students who miss class or do not actively participate in class may be removed from the course at the discretion of the lecturer.

Course Assignments

Project report:

1. Students will submit the final report in groups of two students.
2. Final project may include one of the following alternative topics:
 - Comparative work on a real estate related topic – comparing between a selected international real estate market and the Israeli real estate market;
 - An empirical study based on data from an international real estate market.
 - Business plan introducing a newly disruptive product / technology which will impact the real estate world.
3. Before class # 3, students will submit the subject of the project report along with one paragraph presenting the content of their Final Project to the lecturer for approval via email.
4. Before Classes #3 and #5, students will submit a one-page discussion related to academic papers. The paper will be found in the class materials on Moodle.
5. During classes #7, students will present information regarding the companies to be visited during the field trip. The presentation will be emailed to the lecturers.
6. During classes #13 and #14, students will present their final project conclusions. The presentation will be emailed to the lecturers.
7. Students will submit their final project no later than June 15, 2022 in PDF format.
8. The report should consist of up to 10 printed pages (1.5-space in font 11 or 12, margin not less than 2cm), plus appendices, which can include calculations, tables, graphs, clarifications, etc.

Grading Policy

No grading policy.

Evaluation of the Course by Student

Following completion of the course students will participate in a teaching survey to evaluate the instructor and the course, to provide feedback for the benefit of the students, the teachers, and the university.

Course Site (Moodle)

The course site will be the primary tool to communicate messages and material to students. Student should check the course site regularly for information on classes, assignments and exams. Course material will be available on the course site. Please note that topics that are not covered in the course material but are discussed in class are considered as integrated part of the course and may be tested in examinations.

Course Outline*

Week	Date	Content	Topics	Submissions
1	15.2.2022	Introduction to the Real Estate Project course and overview of Canadian real estate market.	<ul style="list-style-type: none"> - Course overview, outline of course topics to be discussed and course requirements. - Overview of Canadian geo-political and economic real estate market. - Final Project guidelines. 	
2	22.2.2022	Introduction to real estate investment space	<ul style="list-style-type: none"> - Overview of Canadian geo-political and economic real estate market - continued. - Real Estate valuation definitions: Market Comparison, Income Approach, Expense Approach; Cap Rate, NOI, Capex, Class types. - Overview of the investment strategies and definitions (Core to Core plus vs Value add and opportunistic opportunities). 	
3	1.3.2022	Introduction to real estate investment space (continuation)	<ul style="list-style-type: none"> - Discussion of academic paper - Continuation of real estate investment space. - Guest Speaker * 	<p>- Students are required to submit their Final Project topic along with one-page summary and discussion of academic paper.</p> <p>-Submit one-page discussion of academic paper.</p>
4	8.3.2022	Final Project Meeting	<ul style="list-style-type: none"> - Each group will have a short meeting with lectures discussing the aspects of their final project. 	
5	15.3.2022	Real Estate Management and PropTech	<ul style="list-style-type: none"> - Discussion of academic paper - Asset Management - Investment strategies, business model. - Property management - various strategies, pros and cons. Third 	-Submit one-page discussion of academic paper.

			<p>party vs inhouse management.</p> <ul style="list-style-type: none"> - Proptech (Property Technology) - impact of technology on real estate market: Virtual Reality, Big Data, Internet of Things. - Guest Speaker * 	
6	22.3.2022	Real Estate Management and Proptech	<ul style="list-style-type: none"> - Continuation of Real Estate Management and Proptech - Guest Speaker * 	
7	29.3.2022	Starting a Real Estate Firm and US real estate taxation	<ul style="list-style-type: none"> - Key factors in starting a real estate investment firm. - Raising funds. - Profit splits with investors. - Legal Entity Formations (LLC vs Inc), K1 Report for Investors. - Cost Segregation and Bonus Depreciation. - Capital Gain vs Ordinary Gain - US taxation on none US Citizens (Capital Gain, Ordinary Gain, Inheritance Tax) - Israeli taxation on US real estate investments - 1031 Exchange - Guest Speaker * 	
8	5.4.2022	Starting a Real Estate Firm and US real estate taxation (Continuation)	<ul style="list-style-type: none"> - Continuation of Starting a Real Estate Firm and US real estate taxation - Guest Speaker * 	
9	12.4.2022	Preparation towards the field trip	<ul style="list-style-type: none"> - Preparation towards the field trip <p>Student presentations regarding companies that will be visited during the field trip</p>	Each student will present to their classmates' information regarding companies that will be visited during the field trip

10	19.4.2022	Passover vacation		
11	24 - 29 .4.2022	Field Trip	Field Trip to Toronto	
12	3.5.2022	No Class		
13	10.5.2022	Course Summary	<ul style="list-style-type: none"> - Summarizing course - Optional group meetings with lectures regarding final projects. 	
14	17.5.2022	Final Project presentations	Students will present to the class their final project.	<p>Presentation of Final Project to fellow classmates</p> <p>The final project will be submitted no later than June 15, 2022</p>
15	24.5.2022	Final Project Meeting (Continuation if needed)	Students will present to the class their final project.	
16	31.5.2022	No Class		

***Subject to changes**

Required Reading

- Commercial Real Estate Analysis & Investments by D.M. Geltner, N.G. Miller, J. Clayton and P. Eichholtz, 2nd ed., 2007 (henceforth GM).
- Real Estate Finance & Investments by W. Brueggeman and J. Fisher, 14th ed., 2011 (henceforth BF).

Recommended Reading

To be provided during the course.