

FIC Real Estate Finance Training – Syllabus

Course Information:

The FIC Real Estate Training Program aims to educate undergraduate students on the fundamentals of **Real Estate Finance**, specifically within the Commercial Real Estate Sector. We aim to prepare students to be competitive in jobs and internships for any Commercial Real Estate position by providing robust financial model building knowledge, as well as industry and asset class understanding.

The course will consist of 3 group presentations (2-4 members per group for 10 minutes each) and 3 case studies, with optional case studies at the end for additional practice. These additional case studies will be harder and will mimic actual work done in Commercial Real Estate Finance jobs. There will be a final project at the end of the quarter which will mimic Underwriting a Deal as a PE Analyst and be presented to an Investment Committee.

Lecture:

- Wednesday: 8:10pm – 9:30pm
- Thursday: 8:10pm – 9:00pm

Office Hours:

- Monday: 7:00pm – 8:00pm
 - o ID: TBA
- Wednesday 7:00pm – 8:00pm
 - o ID: TBA

Topics to Cover by the End:

- Introduction
 - o Basic Accounting
 - o Vocab / Important Terms / Key Metrics
- Overview of Real Estate:
 - o Property Types / Asset Classes in CRE
 - o Alternative Investment Asset Classes
 - o Potential Career Paths
- Important Fundamental Concepts:
 - o Valuation Methods
 - o Recourse/Non Recourse
 - o Brief overview on Financing
- Lease Reviews
- Modeling Cash Flows:
 - o Excel Formulas and Shortcuts
 - o Objectives:
 - IRR, NPV, Cap Rates, Cash Flows, Cash on Cash, Leverage effects on model, 30/360 and Actual/360
 - o DCF
 - o Amortization Tables
 - o Sensitivity Analysis
 - o Annual vs Monthly Cash Flows

Potential Presentation Topics:

- Research (*choose a specific career path*) and present information about it
- What is (*choose asset class*) and what is the outlook for it?
- How is the (*choose asset class*) doing in (*choose city*)?

Research Resources:

- ULI/PWC Research
 - o <https://www.pwc.com/us/en/industries/asset-wealth-management/real-estate/emerging-trends-in-real-estate.html>
- CEL & Associates Survey
 - o <https://celassociates.com/national-real-estate-compensation-benefits-survey/>
- Market Insight Reports (vary by annual, quarterly, asset classes, etc.):
 - o Cushman & Wakefield
 - <https://www.cushmanwakefield.com/en/united-states/insights>
 - o CBRE
 - <https://www.cbre.com/insights#market-reports>
 - o JLL
 - <https://www.us.jll.com/en/trends-and-insights>
 - o Colliers
 - <https://www.colliers.com/en/research#sort=%40datez32xpublished%20descending>

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Additional Information:

By the end of this program, you will have been exposed to the various aspects of Commercial Real Estate. You will also have an in-depth understanding in underwriting Real Estate deals. The technical aspects of this course are crucial in landing a job in the Commercial Real Estate sector. Members can choose to continue doing this program the following quarter and will have the option to perform more in-depth market research, help new members learn, and work alongside industry professionals to have more hands-on experience in Commercial Real Estate.