

MBA Concentration in Real Estate

Part-time program

Updated 4/22/2018

Curriculum

The Rutgers MBA primary concentration in Real Estate is designed to provide students with the in-depth understanding of property and property markets and tools necessary to succeed in the real estate industry.

The concentration is built on four core courses: Aggregate Economic Analysis, Real Estate Finance, Real Estate Law and Development. Aggregate Economic Analysis (22:223:591) serves as an introduction to macroeconomics and economic policy making at the national level. Real Estate Finance (22:390:695) offers students an in-depth understanding of applied financial economics and the background and tools necessary to analyze income-producing property from the perspective of an institutional investor. Students will use lease and market information to develop pro forma cash flow projections for a given property and evaluate the risk and return associated with an investment. The third component of the core is Real Estate Law (22:851:650) which offers an overview of the legal issues confronting the real estate executive beginning from the commencement of a real estate transaction and throughout the relationship between the various parties to such transactions. Finally, Real Estate Development (22:851:632) examines the commercial real estate development process focusing on typical strategies, challenges, and risks, as well as providing an overview of the basics of development finance and value.

The principal method of teaching employed in core courses is a lecture-based format supplemented with case studies. Electives will emphasize case studies and project work. All courses will include extensive exposure to the real estate industry through guest speakers.

Advantages

The real estate profession offers a wide variety of career options in a range of commercial sectors – Investment Analyst, Asset Management, Development, Commercial and Residential Brokerage, Appraisal, Commercial and Investment Banking, Property Management and Mortgage Brokerage.

Students enrolled in the MBA Concentration in Real Estate will have unparalleled access to industry leaders through the newly created Center for Real Estate Studies. The Center is supported by a 70-member advisory board consisting of the most influential and innovative real

estate firms in the New York/New Jersey metropolitan area who will serve as guest speakers and hire Rutgers graduates. Members of the Advisory Board include CEOs and senior executives at Prudential Real Estate Investors, Citibank, Canoe Brook Management, Hampshire Real Estate, Jacobs Development, Paul V. Profeta and Associates, AvalonBay Communities, CBRE, Cushman & Wakefield, Prologis and many other top-tier firms. The Center will also provide mentoring, internships and career opportunities in the real estate profession.

The Primary Concentration in Real Estate

The MBA primary concentration in Real Estate is comprised of 5 courses (15 credits) in total – 4 required courses and 1 elective. Students pursuing concentrations in Finance and Real Estate at the same time will need to take only 3 required courses as Aggregate Economic Analysis counts for both programs simultaneously.

It is strongly recommended that students interested in the MBA concentration in Real Estate take Urban Entrepreneurship & Economic Development as their Integrative Course Requirement.

RE core requirements (12 credits)

Course number	Title	Credits
22:223:520 (FT) 22:223:591 (PT)	Aggregate Economic Analysis	3
22:390:695	Real Estate Finance	3
22:851:650	Real Estate Law	3
22:851:632	Development	3

Elective (6 credits, choose 1 course)

Course number	Title	Credits
22:390:673	Real Estate Capital Markets	3
22:851:630	Market Analysis and Valuation in Real Estate	3
22:390:605	Advanced Financial Management	3
22:620:617	Negotiations	3

The Secondary Concentration in Real Estate

The secondary concentration in real estate is designed for students with interests in other academic areas within RBS that also want to acquire some exposure to the core ideas and tools used in the real estate industry. The secondary concentration in Real Estate is comprised of 4

courses (12 credits) in total – 3 required courses and 1 elective. Students pursuing a concentration in Finance and secondary concentration in Real Estate at the same time will need to take only 2 required courses as Aggregate Economic Analysis counts for both programs simultaneously.

It is strongly recommended that students interested in the MBA concentration in Real Estate take Urban Entrepreneurship & Economic Development as their Integrative Course Requirement.

RE core requirements (12 credits)

Course number	Title	Credits
22:223:520 (FT) 22:223:591 (PT)	Aggregate Economic Analysis	3
22:390:695	Real Estate Finance	3
22:851:650	Real Estate Law	3

Elective (6 credits, choose 1 course)

Course number	Title	Credits
22:851:632	Development	3
22:390:673	Real Estate Capital Markets	3
22:851:630	Market Analysis and Valuation in Real Estate	3

Real Estate curriculum

Real Estate Finance, 22:390:695

The central objective of this course is to provide you with the background and tools necessary to analyze value, risk, and return in property markets.

The initial emphasis of the course is on mortgage finance and applications and is dedicated to providing an understanding mortgage structure and mechanics in both residential and commercial markets. The focus then shifts to the evaluation of investment in property markets from the perspective of an institutional investor. This is accomplished by developing projections of future cash flows from a given property and using them to construct measures of value, risk and return and consider their sensitivity to changes in base assumptions. Extensions include tax issues, the relationship between value, returns and leverage, structuring the distribution of cash flows in partnership agreements and/or real options.

The course also provides extensive training and certification in ARGUS, a real estate industry-standard software package used for entering and compiling lease information.

Prerequisite: Financial Management (22:390:522 or 22:390:587)

Real Estate Development, 22:851:632

The purpose of this course is to provide an introduction and overview of commercial real estate development. The target audience includes students not only interested in pursuing careers in real estate development but also students that may participate in the development process as owners, financiers, designers, and/or contractors. The course will include an outline of the commercial real estate development process focusing on typical strategies, challenges, and risks. The basics of development finance and value creation will be incorporated. Typical examples of development projects of various product types will be presenting each focusing on particular aspects of the process.

Prerequisites: Real Estate Finance (22:390:695) and Real Estate Law (22:851:650)

Real Estate Law, 22:851:650

The Real Estate Law course provides an overview of the legal issues which confront the real estate executive from the commencement of a real estate transaction and throughout the relationship between the parties to such transactions. While many traditional real property law concepts will be covered, the course is intended as an introduction to the transactional aspects of the real estate business, including acquisition, disposition, development, investment, management, leasing, tax implications and negotiations. At the conclusion of the course, students will have the ability to function with respect to these matters in many of the various aspects of real estate business.

Real Estate Capital Markets, 22:390:673

Real Estate Capital Markets focuses on debt and equity issues in secondary markets that derive their value from real assets. The course includes an overview of the US mortgage finance system, agency and non-agency residential mortgage-backed securities, structured mortgage products such as collateralized mortgage obligations, collateralized debt obligations and stripped securities, commercial mortgage-backed securities, Real Estate Investment Trusts and limited partnerships. Coursework involves basic fixed-income mathematics and cash flow modeling in Excel.

Prerequisites: Real Estate Finance (22:390:695) and Real Estate Law (22:851:650)

Market Analysis and Valuation in Real Estate, 22:851:630

This course surveys the principles and tools of appraising various types of real estate, as well as an analysis of value, price, property, and legal rights. Topics include principles of valuation; the real estate market; the relationship between real estate values and economic, social, and government trends; economics of urbanization, including location, value, and highest and best use; neighborhood analysis and approaches to cost, market data, and income valuation.

Prerequisites: Real Estate Finance (22:390:695) and Real Estate Law (22:851:650)