REAL ESTATE DEVELOPMENT  
BUS 138a  
Summer 2014

Monday, Tuesday, Wednesday & Thursday, 2:00 pm – 4:00 pm  
Classroom: T-B-D

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OVERVIEW

This course builds on the content and methodology students learned in BUS 35a, Real Estate and Society, with a focus on development and re-development of income-producing real property in the U.S. market. Using case discussion, lectures, readings and guest speakers, the course focuses on the real estate development process, including zoning and planning, permitting, site analysis and acquisition, design and construction, financing, leasing and value enhancement. The course also considers the role of the community and regulators in supporting or objecting to a real estate project; and, the role of the public sector in using tax payer funds to advance public purposes by offering various kinds of subsidies to developers, and evaluating the relative success of such programs.

This course integrates with and supports the experiential learning goal of the JBS program, by giving students direct field experience with the Neighborhood Analysis, and important tools to use in their real estate field project course (BUS 95a) that immediately follows BUS 38a.

LEARNING GOALS & OUTCOMES

Understand how a property or parcel of land is identified and developed into a project

Be familiar with the legal and regulatory real estate environment, including zoning, community input, property rights and limitations, leases and other contracts and land use regulations

Understand the roles and responsibilities of key players on the development team

Learn how to apply zoning analysis to site planning and designing a building for maximum leasing success

Be informed about how government financing can influence property development, including Federal and State programs to develop and upgrade property as part of larger social goals of community renewal, job creation and other public purposes

Appreciate the role that real estate development can play in addressing societal issues, including affordable and low income housing, reducing congestion and traffic with smart growth, addressing energy consumption with green buildings and preserving open space for community enjoyment
**PREREQUISITE:** BUS 35a.

**COURSE REQUIREMENTS**

**Required Reading**

The text for this course is “Professional Real Estate Development: The ULI Guide to the Business”, Third Edition, published by the Urban Land Institute; the authors are Richard Peiser and David Hamilton. You can purchase it on Amazon.com and try to save money buying used copies or a Kindle-version. You **MUST** buy the third edition, because earlier editions are outdated and pre-date the 2008 real estate crash and subsequent recovery.

There are three HBS cases that you will need to buy. There are two cases I wrote that will be posted on LATTE; one is part of your written case study grade, and one is for discussion purposes only and part of your class participation grade. I will also post on LATTE interesting articles about the development of commercial real estate.

I have established the following coursepack with HBS Publishing; look for Real Estate Development Summer 2014. **Coursepack link:** https://cb.hbsp.harvard.edu/cbmp/access/22793144. You can purchase the three HBS cases here. You must purchase, not share, the HBS cases, or you are violating copyright laws.

If you have not registered with Harvard Business Online, you will be required to do so. Electronic course materials are in PDF (Portable Document Format) and should be viewed with Adobe Reader, available free at [www.adobe.com](http://www.adobe.com). Students can access PDF files of course materials via a link on Harvard Business Online for six months from the date of purchase. You will have immediate access to the materials upon placing your order, for subsequent access, you must login to [http://harvardbusinessonline.org](http://harvardbusinessonline.org) I hope you find this a convenient way to access your course materials.

For technical assistance, please view the **Quick Tips** section or contact HBS Publishing at 1-800-810-8858 or 617-783-7700, from 8am-6pm. They can also be reached at techhelp@hbsp.harvard.edu

**Attendance and Participation**

Class attendance is required and class participation is critical; this will be a small class, more like a seminar, so I expect active and lively discussions and broad participation. To ensure an effective process, students are expected to use name cards at every session until I get to know each person’s first name. Since this will be a small class I hope that does not take too long. For five (5) classes there will be a case assigned and every student is expected to come prepared to discuss it in detail. Your grade on the case analysis will partly depend upon your participation in the case discussion.

**Academic Honesty**

You are expected to be honest in all of your academic work. Instances of alleged dishonesty will be forwarded to the Office of Campus Life for possible referral to the Student Judicial System. Potential sanctions include failure in the course and suspension from the University. For the University policy on academic honesty, please see section 5 of the *Rights and Responsibilities Handbook*. 
Disabilities

If you are a student with a documented disability on record at Brandeis and wish to have a reasonable accommodation made for you in this class, please see me immediately. Please keep in mind that reasonable accommodations are not provided retroactively.

Grading

Students will be graded on their class participation, written case study assignments, presentation of the team case studies and team neighborhood analysis. 503 Cricket Road and Beacon Lakes are individual assignments (students may not discuss their work with each other); Cambridge Discovery Park and Local Initiatives Support Corporation must be done in teams of students; each team should have 4 students (depending on final enrollment, one team might have 5 students). I will assign students to teams by the first week of the course.

Grades on each team assignment are assigned to all members of the team although I reserve the right to alter individual grades in certain circumstances, e.g., when it is clear to me that an individual did not contribute to the assignment in a consistent and meaningful way.

CLASS PARTICIPATION* 30%* (see asterisk below)

Please keep a record of your participation, as I will ask for a written self-assessment at the end of the course.

* You are expected to attend every class. If you have to miss a class for an important health or personal reason, please advise me ahead of time. Please do NOT schedule job interviews during class time, nor should you commit yourself to other activities that conflict with your class responsibilities. Excellent attendance, with minimal or no class participation, results in a class participation grade of B-. If you ask good questions and offer interesting comments you can earn a higher grade. I will randomly call on students to encourage broad class participation, so be prepared. This is a small class and active participation and lively discussion is encouraged and expected.

WRITTEN ASSIGNMENTS 40%

503 Cricket Road INDIVIDUAL 10%
Cambridge Discovery Park TEAM 10%
Local Initiatives Support Corp. TEAM 10%
Beacon Lakes INDIVIDUAL 10%

NEIGHBORHOOD ANALYSIS 30%

By the end of the second week I will assign to each team (the same teams as for the team case studies) a specific Boston area neighborhood or sub-market to visit, analyze according to pre-determined criteria and report back on how real estate played a role in its renewal and transformation. This will include field trips to each neighborhood, with the team providing a guided walking tour for the class. During the fifth (and final) week of this course each team will present its neighborhood analysis to a team of students, IBS faculty and (if possible) at least one Boston area real estate professional.
# COURSE MATERIALS

**TEXT**  
Professional Real Estate Development: The ULI Guide to the Business  
Urban Land Institute; Third Edition; 2012; Richard B. Peiser and David Hamilton

**HBS CASES**  
503 Cricket Road (9-396-001)  
Local Initiatives Support Corporation (9-301-124)  
Beacon Lakes (9-805-023)

**CHAZEN CASES** (posted on LATTE)  
Cambridge Discovery Park  
Arborpoint at Woodland Station

## COURSE OUTLINE

*study guides and/or assignments for each class are posted on LATTE*

<table>
<thead>
<tr>
<th>DATE</th>
<th>CASE/READINGS</th>
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<tr>
<td><strong>Week One</strong></td>
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| 6/2 | Text, Chapter 1 | Introduction to real estate development  
Common real estate development terms |
| 6/3 | Text, Chapter 2, pp. 39-63 | Roles of key players in development |
| 6/4 | Excel in real estate analysis | The “numbers” in RE development |
| 6/5 | **Case: 503 Cricket Road** | Your first real estate deal |
| **Week Two** | | |
| 6/9 | Text, Chapter 3, pp. 75-85;  
Chapter 4, pp. 151-159; | Market research in development |
| 6/10 | Text, Chapter 4, pp. 191-200  
Chapter 5, pp. 251-261  
Chapter 7, pp. 347-355 | Design for successful projects  
Multifamily, Office & Retail |
| 6/11 | **Case: Cambridge Discovery Park** | Rescuing a troubled development |
| 6/12 | Visit Cambridge Discovery Park | |
| **Week Three** | | |
| 6/16 | Text, Chapter 8, pp.373-382 | Government role in development |
| 6/17 | Text, Chapter 8, pp. 383-392 | Permitting and community engagement |
| 6/18 | **Case: Arborpoint at Woodland Station (including property visit)** | |
6/19  

*Case: Local Initiatives Support Corp.*  
Low income housing and community renewal

**Week Four**

- **6/23**  
  T-B-D about the neighborhood  
  Neighborhood field trip #1

- **6/24**  
  T-B-D about the neighborhood  
  Neighborhood field trip #2

- **6/25**  
  T-B-D about the neighborhood  
  Neighborhood field trip #3

- **6/26**  
  *Case: Beacon Lakes*  
  Environmental issues in development

**Week Five**

- **6/30**  
  Presentation of Neighborhood Analysis #1

- **7/01**  
  Presentation of Neighborhood Analysis #2

- **7/02**  
  Presentation of Neighborhood Analysis #3

- **7/03**  
  Guest speaker T-B-D