



## **Module Specification**

### **Real Estate Finance and Investment**

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## Part 1: Information

**Module title:** Real Estate Finance and Investment

**Module code:** UBLMQK-30-M

**Level:** Level 7

**For implementation from:** 2022-23

**UWE credit rating:** 30

**ECTS credit rating:** 15

**Faculty:** Faculty of Environment & Technology

**Department:** FET Dept of Architecture & Built Environ

**Partner institutions:** None

**Delivery locations:** Frenchay Campus

**Field:** Architecture and the Built Environment

**Module type:** Standard

**Pre-requisites:** None

**Excluded combinations:** None

**Co-requisites:** None

**Continuing professional development:** No

**Professional, statutory or regulatory body requirements:** None

## Part 2: Description

**Overview:** The module is to be delivered in partnership with Industry, and will cover topics deemed essential to develop a high-level understanding of investment in property from both debt and equity perspectives.

**Features:** Not applicable

**Educational aims:** See Learning Outcomes

**Outline syllabus:** The themes addressed will typically be international in nature, and whilst a UK focus will exist in discussion of practical application, global investment considerations, investment overseas and exchange rate risk will all be specifically addressed.

The following topics will be explicitly covered:-

The Who, Why and How of Investing in Property:

Property as an Investment Class

Financing Options and Structuring

Risk vs Return

Debt Capital Markets:

Loan to Value

Interest Rate Cover Ratios

Banking Covenants in Loan Documentation

Liquidity

Residual Positions

Ability to Refinance

Revolving Credit Facilities

Interest Rate Management and Hedging

Foreign Investment and Exchange Rate Risk

Covenant Strength

Accounts Analysis

Sector Exposure

Tenant Exposure

Debt Portfolio Risk Management

Development Finance vs Investment Finance Considerations

Equity Capital Markets:

SPV investment

Crossing Debt

Portfolio Financing

Balance Sheet Lending

Debt Clubs

Debt Syndication

Derivatives

Joint Ventures

Private Finance Initiative

Govt Banked Infrastructure Funds

The Importance of Qualitative Issues:

Working relationships

Personal judgement

Practical Case Studies and Experience from Industry

Key

### **Part 3: Teaching and learning methods**

**Teaching and learning methods:** Lecture/discussion plus extensive use of worked examples, case studies and hands-on computer exercises, to cover a range of situations.

**Module Learning outcomes:** On successful completion of this module students will achieve the following learning outcomes.

**MO1** Demonstrate working knowledge of the principles and rationale for property investment.

**MO2** Have an in-depth appreciation of organisations and corporate structures in the property investment industry.

**MO3** Apply quantitative techniques in investment and finance decision-making.

**MO4** Interpret, apply and appraise debt and equity property funding.

**MO5** Evaluate the efficacy of alternative funding structures in different situations and their effects upon the parties concerned.

**MO6** Analyse a real estate investment opportunity, identify potential funding strategies and appraise their relative benefits.

**MO7** Develop insight of complex real estate and financial structures, including legal, technical and liability implications.

**Hours to be allocated:** 300

**Contact hours:**

Independent study/self-guided study = 260 hours

Face-to-face learning = 40 hours

Total = 300

**Reading list:** The reading list for this module can be accessed at [readinglists.uwe.ac.uk](https://uwe.rl.talis.com/modules/ublmqk-30-m.html) via the following link <https://uwe.rl.talis.com/modules/ublmqk-30-m.html>

## **Part 4: Assessment**

**Assessment strategy:** As this module is both highly technical in nature and teaching is to be delivered by industry partners, assessment will require industry partners' involvement. It is proposed that the controlled assessment be by way of a multiple choice exam to examine the pre-reading to be undertaken before attendance at the block week plus a formal presentation made by students to assessors from both UWE and industry at the end of that week. A 20 minute presentation on a proposed investment strategy followed by 10 minutes questioning will test, in depth, the student's grasp of the issues taught on the module. Students will be given individual marks based on their presentation and answers to questions addressed individually.

The 3,000 word report will allow a more theoretical and academic investigation of the learning outcomes of the module. Further, financial modelling will be assessed by means of a set exercise, to be submitted before the start of the Block Week, to ensure each student is confident with creating a financial model for assessing the return on investment of a standing property investment.

**Assessment components:**

**Examination - Component A (First Sit)**

Description: Element 1 a 30-min multiple choice exam

Weighting: 12.5 %

Final assessment: No

Group work: No

Learning outcomes tested: MO2, MO3, MO7

**Presentation - Component A (First Sit)**

Description: Element 2 a group presentation (20 mins plus 10 min Q and A session)

Weighting: 37.5 %

Final assessment: No

Group work: Yes

Learning outcomes tested: MO1, MO3, MO4, MO5, MO6

**Report - Component B (First Sit)**

Description: 3000 word report

Weighting: 37.5 %

Final assessment: Yes

Group work: No

Learning outcomes tested: MO1, MO2, MO3, MO4, MO6, MO7

**Set Exercise - Component B (First Sit)**

Description: Creation of an Excel-file of a leveraged investment property appraisal, producing IRRs and Equity multiples. Students will be using the Ascension Platform to learn how to model a financial DCF appraisal.

Weighting: 12.5 %

Final assessment: No

Group work: No

Learning outcomes tested: MO1, MO3, MO4, MO6

**Examination - Component A (Resit)**

Description: Element 1 a 30 min multiple choice exam

(For Distance learners no requirement to be present at the UWE campus – use of video conferencing facilities to supervise)

Weighting: 12.5 %

Final assessment: No

Group work: No

Learning outcomes tested:

**Presentation - Component A (Resit)**

Description: Element 2:

If all team failed – a group presentation (20 minutes plus 10 minutes questions and answers)

If not all members of the team failed - an individual presentation (15 minutes plus 10 minutes questions and answers)

Weighting: 37.5 %

Final assessment: No

Group work: Yes

Learning outcomes tested:

**Report - Component B (Resit)**

Description: 3000 word report

Weighting: 37.5 %

Final assessment: Yes

Group work: No

Learning outcomes tested:

**Set Exercise - Component B (Resit)**

Description:

Weighting: 12.5 %

Final assessment: No

Group work: No

Learning outcomes tested:

**Part 5: Contributes towards**

This module contributes towards the following programmes of study:

Real Estate Finance and Investment [Sep][DA][Frenchay][1yr] MSc 2022-23

Real Estate Finance and Investment [Jan][FT][Frenchay][1yr] MSc 2022-23

Real Estate Finance and Investment [Sep][FT][Frenchay][1yr] MSc 2022-23

Real Estate Finance and Investment [Jan][DA][Frenchay][2yrs] MSc 2021-22

Real Estate Finance and Investment [Sep][DA][Frenchay][2yrs] MSc 2021-22

Real Estate Finance and Investment [Sep][DN][Frenchay][2yrs] MSc 2021-22

Real Estate Finance and Investment [Jan][DN][Frenchay][2yrs] MSc 2021-22

Real Estate Finance and Investment [Sep][PT][Frenchay][2yrs] MSc 2021-22

Real Estate Finance and Investment [Jan][PT][Frenchay][2yrs] MSc 2021-22