

ACAP
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Agenda Item 2g

Name of Institution
College of Charleston

Name of Program (include concentrations, options, and tracks)
Commercial Real Estate Finance

Program Designation

- Associate's Degree
- Bachelor's Degree: 4 Year
- Bachelor's Degree: 5 Year
- Doctoral Degree: Professional Practice (e.g., Ed.D., D.N.P., J.D., Pharm.D., and M.D.)
- Master's Degree
- Specialist
- Doctoral Degree: Research/Scholarship (e.g., Ph.D. and DMA)

Does the program qualify for supplemental Palmetto Fellows and LIFE Scholarship awards?

- Yes
- No

Proposed Date of Implementation
Fall 2017

CIP Code
52.1501 Real Estate

Delivery Site(s)
College of Charleston Campus

Delivery Mode

- Traditional/face-to-face*
*select if less than 50% online
- Distance Education
 - 100% online
 - Blended (more than 50% online)
 - Other distance education

Program Contact Information (name, title, telephone number, and email address)

Jocelyn Evans, Associate Dean, School of Business, Carter Real Estate Center
66 George Street, Charleston, SC 29424, 843-953-6405

Institutional Approvals and Dates of Approval

Department Approval: Dr. Weishen Wang (February 5, 2016)
School of Business Approval: Dr. Alan Shao (February 25, 2016)
Faculty Curriculum Committee Approval: Dr. H Gibbs Knotts (Mar 24, 2016)
Faculty Senate Approval: April 12, 2016
Board of Trustee Approval: April 22, 2016

Background Information

State the nature and purpose of the proposed program, including target audience and centrality to institutional mission. (1500 characters)

The College of Charleston's mission statement emphasizes that the institution provides high quality business education within a liberal arts framework. Two central objectives are 1) to meet the growing educational demands in the Lowcountry, and 2) to provide extensive credit education programs for residents. Commercial real estate is a competitive and distinctly unique subsector of finance that represents over 30% of the U.S. macro economy. A commercial real estate major will provide students with the core theoretical knowledge in the areas of finance and data analysis, risk assessment, development, asset management, market analysis, finance securitization, project management, law, the regulatory environment of land use, community planning and development. The Lowcountry focus invites the inclusion of distinctly non-business, liberal arts electives as an important part of the curriculum. This differentiates the program from those offered by other schools and provides our graduates with a level of preparedness that is typically found only among seasoned commercial real estate professionals. This level of preparedness is not available for the current 100 real estate minors and concentration students. For students who know that they want to pursue commercial real estate as a career, specialized academic education coupled with experiential learning in commercial real estate finance will prepare them to find either relevant employment or pursue a graduate program in commercial real estate.

List the program objectives. (2000 characters)

- **Provide students with a comprehensive commercial real estate program with a liberal arts foundation.** In 2008, the real estate industry received much of the blame for the Great Recession. What became apparent was that many entrepreneurs with experience but no formal education were unaware of the risks inherent in commercial mortgage lending, underwriting, lease contracts, changing property sector dynamics, local market sector knowledge, and valuation/strategic marketing technical analysis. The commercial real estate sectors has become more complex and opaque with the rise in real estate investment trusts (REITS), investment bank driven securitized assets (MBS bonds), and corporate real estate divisions. In Charleston, many of our graduates have informed us that having a business administration, economics, finance, or marketing degree did not sufficiently prepare them for employment in any of the various subsectors of commercial real estate. They shared with us that they actually needed courses focusing on all of these business topics in an appropriate context and that the real estate minor/concentration did not provide sufficient knowledge to differentiate our students in the Lowcountry market place. As a result, we are proposing a major that will produce graduates who understand and can apply various quantitative, analytical, and related commercial real estate finance techniques to the growing and highly competitive commercial real estate market.
- **Provide students with a professional degree that leads to employment directly after graduation.** The program provides students with skills and knowledge necessary to prepare them for a diversity of career paths in commercial real estate (e.g., entry-level positions in mortgage banking, institutional lending, asset management, real estate brokerage/leasing, appraisal and development). The addition of this new major coincides with continued growth in commercial real estate jobs and compensation (<https://www.selectleaders.com/resources/job-barometer-q3-2016>). With the proposed port expansion, the Lowcountry is experiencing a high growth in demand for industrial and distribution facilities. In addition, the world ranking by *Condé Nast* has resulted in an increased demand for hotel projects as well as office developments. All of this attention on Charleston equates to a need for graduates that have a set of analytical skills necessary to analyze real estate investments and new developments.
- **Grow the educational and career opportunities for students attending the College of Charleston.** Enhanced preparation for specialized employment and graduate education will result

from completion of this major, which will provide students with analytical and critical thinking skills necessary to enter the commercial real estate industry. Together, these knowledge bases and skill sets will result in capable, ready-to-work graduates for the commercial real estate professional community.

Assessment of Need

Provide an assessment of the need for the program for the institution, the state, the region, and beyond, if applicable. (1500 characters)

Industry partners in Charleston state that a comprehensive commercial real estate major is needed at the College of Charleston. We surveyed executives from local, regional and national firms with offices in Charleston (i.e. Greystar, CBRE, MG Valuation, MPV Properties, The Beach Company, and Colliers International WestRock, Landmark Enterprises, NAI Avant, Wells Fargo) and found 34 out of the 35 respondents preferred hiring someone with a commercial real estate major over someone with simply a real estate minor or concentration. To gauge student interest in Fall 2015, we distributed 371 surveys to Introduction to Finance students. 228 students (61%-mostly Business Administration majors) indicated they would consider majoring in commercial real estate finance, if offered. Currently, no undergraduate institution in the Lowcountry offers a real estate undergraduate program.

The commercial real estate sector is an important part of the Lowcountry economy as evidenced by the high growth in hotel and multifamily development projects throughout Charleston. Within Charleston, a Commercial Real Estate Finance major would allow students to demonstrate substantial knowledge of historic preservation, supply chain management and hotel real estate. Due to the Lowcountry's strong economy, there is a pressing need for graduates with a solid foundation in commercial real estate, particularly for entry-level jobs in finance, investment, appraisal, market analysis, property management, asset management and commercial real estate brokerage. These demands make the proposed program necessary as we continue to grow the economic base of our region.

Employment Opportunities

Is specific employment/workforce data available to support the proposed program?

Yes

No

Employment Opportunities			
Occupation	Expected Number of Jobs	Annual Employment Growth Projection (2014-2024)	Data Source
Securities, Commodities, and Financial Services Sales Agents	341,500	10%	www.bls.gov/ooh/sales/securities-commodities-and-financial-services-sales-agents.htm
Financial Analysts	277,600	12%	www.bls.gov/ooh/business-and-financial/financial-analysts.htm
Construction Managers	373,200	5%	www.bls.gov/ooh/management/construction-managers.htm

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Architects	112,600	7%	www.bls.gov/ooh/architecture-and-engineering/architects.htm
Urban and Regional Planners	38,000	6%	www.bls.gov/ooh/life-physical-and-social-science/urban-and-regional-planners.htm
Real Estate Brokers and Sales Agents (Note, the available employment data does not allow disaggregation of commercial and non-commercial career paths)	421,300	3%	www.bls.gov/ooh/sales/real-estate-brokers-and-sales-agents.htm#tab-1
Property, Real Estate, and Community Association Managers (Note, the available employment data does not allow disaggregation of commercial and non-commercial career paths)	313,800	8%	www.bls.gov/ooh/management/property-real-estate-and-community-association-managers.htm
Loan Officers	303,200	8%	www.bls.gov/ooh/business-and-financial/loan-officers.htm
Appraisers and Assessors of Real Estate	85,800	8%	www.bls.gov/ooh/business-and-financial/appraisers-and-assessors-of-real-estate.htm
Lawyers	778,700	6%	www.bls.gov/ooh/legal/lawyers.htm

Provide additional information regarding anticipated employment opportunities for graduates. (1000 characters)

The 2015 Charleston Commercial Forecast indicates that real estate employment (real wage) growth from 2005-2014 was 17.4% (6%) in the Charleston MSA compared to 4.0% (4.5%) in the U.S. According to the Bureau of Labor Statistics, the number of real estate jobs are projected to increase. In a recent national survey by SelectLeaders, 67% of respondents predict the current economy will create new real estate jobs in 2016 and beyond.

University of South Carolina economist Dr. Douglas Woodward found that Charleston, S.C. is the “state’s bright spot” citing the more highly educated workforce (32% of residents have a 4-year degree compared to 28% nationally) as well as the location of Boeing, the Charleston port and the global tourism making the area S.C.’s strongest economic engine (<https://drewsineath.com/news/2011/12/09/charleston-rules-states-economy-s-c-near-top-in-nation-gradual-recovery-forecast/>). Tuillia reports that Charleston is the second fastest growing real estate market in the country based on solid job growth (sixth-highest in U.S.) (<https://www.trulia.com/blog/10-hot-real-estate-markets-to-watch-in-2016/>). Charleston commercial rents have increased from \$14.75 in 2011 to \$18.40 in 2015 (\$42.65 for downtown commercial properties), clearly showing demand but the growth also provides evidence of a limited supply of commercial real estate space. This imbalance will fuel a significant portion of the projected growth in jobs and real estate development for the region.

Provide supporting evidence of anticipated employment opportunities for graduates, including a statement that clearly articulates what the program prepares graduates to do, any documented citations that suggests a correlation between this program and future

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employment, and other relevant information. Please cite specific resources, as appropriate.
(3000 characters)

Note: Only complete this if the Employment Opportunities table and the section that follows the table on page 3 & 4 have not previously been completed.

Will the proposed program impact any existing degree programs and services at the institution (e.g., course offerings or enrollment)?

Yes

No

If yes, explain. (500 characters)

The proposed program may affect existing Business Administration majors in the first year of its implementation. Based on past experience and surveys, we anticipate that about 35 business majors with real estate concentrations will switch their majors to Commercial Real Estate Finance. Some students currently in real estate concentrations or minors may also have opportunities for in-depth study in real estate by becoming a Commercial Real Estate Finance major. After the first year starting in Fall 2017, the impact on the Business Administration major is expected to be minimal. We anticipate consistent growth in enrollment for the new major during the first five years.

Students in this program would almost always earn the Bachelor of Science in Commercial Real Estate Finance. As is true for all other College of Charleston students majoring in existing programs leading to the Bachelor of Arts or the Bachelor of Science degree, students majoring in Commercial Real Estate Finance would have the option to earn the Artium Baccalaureatus (AB) degree, which requires advanced proficiency in Latin and/or Ancient Greek and the completion of all other major and general education requirements. Only a few students each year complete the AB degree at the College. A separate letter about the AB degree has been provided to CHE.

List of Similar Programs in South Carolina

Program Name	Institution	Similarities	Differences
BSBA Major in Real Estate	University of South Carolina	Housed in a business school. Students are required to have a strong business curriculum as a foundation for the real estate major. The required course is Introduction to Real Estate and Urban Development (FINA 366 similar to our REAL 310.	<p>USC has a major that requires 12-15 credit hours in real estate classes. Only one course is required- FINA 366 course. All other real estate courses are electives with 3 from one subgroup (Real Estate Market Analysis, Real Estate Investment Fundamental, Real Estate Finance, Real Estate Appraisal, Urban Economics, or Geographies of American Cities) and one from another subgroup (Corporate Financial Analysis, Investment Analysis and Portfolio Management, or Financial Statement Analysis). In total, students take 4 real estate courses compared to 7 courses at the College of Charleston. The Geographies of American Cities elective is taught outside the business school. http://moore.sc.edu/academicprograms/undergraduate/majorsoffered/realestate/realestatecurriculum.asp</p> <p>The Commercial Real Estate Finance major at the College of Charleston also provides a strong finance foundation while incorporating related liberal arts classes into the elective option. We have five required courses and two elective courses that will enable a student to have a strong real estate finance foundation and pursue a diversity of careers by taking business or non-business electives.</p>
BS in Financial Management with a real estate emphasis	Clemson University	Housed in a business school. Some of the elective courses are similar to the required courses in the proposed major.	<p>The undergraduate program is a B.S. in Finance with a Real Estate emphasis that teaches students to provide advice on the acquisition, sale, or management of both commercial and residential real estate. The elective courses include Real Estate Investment FIN 4150, Real Estate Valuation FIN 4160, and Real Estate Finance FIN 4170. http://www.clemson.edu/degrees/financial-management</p> <p>Real Estate Finance and Real Estate Valuation are also required courses in the College of Charleston Commercial Real Estate Finance major (REAL 410 and REAL 389). Real Estate Investment Analysis (REAL 380) is an elective.</p> <p>Two additional required courses, Real Estate Market Analysis (REAL 376) and Real Estate Feasibility Analysis (REAL 418), in the College program will prepare students to critically analyze a market to determine the need for a development or redevelopment project. These courses are not offered at Clemson. The electives including an Internship, Hotel Management and supply chain management as well as a long list of Liberal Arts courses (Urban Economics, Environmental Economics, Urban Design Studio, Architectural Design Studio, Urbanization and Urban Geography, Urban Policy, Urban Planning, Town and Country Planning, Land Use Law, Water Use Law, Independent Study on Historic Preservation, and Sustainable Urbanism) enable the real estate students to study related business and/or non-business subjects to become more specialized and knowledgeable. These electives are particularly relevant to students in Charleston, with its thriving tourism, port and historic preservation industries.</p>

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Masters in Real Estate Development	Clemson University	Housed in the College of Architecture, Arts and Humanities	Clemson also has an excellent Master of Real Estate Development program that focuses on the development of sustainable communities and public-private partnerships. The 2016 graduates recently completed a technology-based project for the Upper Peninsula of Charleston. As detailed on their website, the program is designed for students to become professional leaders and innovators in the development of sustainable communities. Our undergraduate Commercial Real Estate Finance majors would excel if they wanted to work in the development side of the real estate profession in this program. http://aahsites.clemson.edu/drupal/?q=mred
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Description of the Program

Projected Enrollment

Projected Enrollment				
Year	Fall		Spring	
	Headcount	Credit Hours	Headcount	Credit Hours
2017-18	35	525	35	525
2018-19	55	825	55	825
2019-20	75	1,125	75	1,125
2020-21	95	1,425	95	1,425
2021-22	120	1,800	120	1,800

Enrollment is initially expected to consist of 35 students switching from the B.S. in Business Administration with a concentration in Real Estate to the B.S. in Commercial Real Estate Finance. This anticipated number is reasonable based on the enrollment trends for Finance and Marketing majors in their first year of existence. The anticipated growth over the five years for Commercial Real Estate Finance is considered conservative.

Two tables below explain the trends for existing School of Business majors, minors, and concentrations. Notice that the Finance and Marketing majors started in the Fall of 2013 and Supply Chain Management began in the Fall of 2015. The Finance major increased enrollment from 29 students in Fall 2013 to an astounding 226 students in Spring 2016 without a decline in minor/concentration students. Similarly, the Marketing major increased enrollment from 24 students in Fall 2013 to 260 students in Spring 2016. We anticipate that the Commercial Real Estate Finance major will have a similar demand and growth pattern.

Notice that at the same time the Hospitality and Tourism Management major enrollment steadily increased, on average. The only existing majors that significantly declined in enrollment after implementation of the former new majors were Economics and Business Administration. BADM majors fell from 1,028 in Spring 2013 to 881 in Spring 2016. We anticipate that new major will only have a temporary impact on future enrollment for BADM. The Commercial Real Estate Finance major will attract students that have not already declared an area of expertise. The Economics enrollment decline is due to an increase in the mathematics prerequisites for this major.

Number of Declared Majors* in School of Business Undergraduate Programs

Semester/Year	Spring 2013	Fall 2013	Spring 2014	Fall 2014	Spring 2015	Fall 2015	Spring 2016
ACCT	247	222	268	250	255	224	237
BADM	1,028	863	997	808	892	805	881
ECON	142	103	107	75	92	87	77
FINC**	n/a	29	121	142	197	198	246
HTMT	284	233	302	256	300	288	319
INTB	235	212	262	228	257	214	228
MKTG**	n/a	24	129	150	203	221	260
SCIM***	n/a	n/a	n/a	n/a	n/a	41	62
SB TOTAL	1,936	1,686	2,166	1,909	2,196	2,078	2,310

Recent Trends of the Total Minor/Concentration Students in The School of Business

Month/Year	Aug-14	Sep-14	Jan-15	Feb-15	Mar-15	Oct-15	Jan-16	Feb-16	Apr-16
BADM	92	94	112	117	118	91	92	91	102
ECON	39	39	39	46	45	35	43	44	50
ENTR	77	84	93	94	93	100	101	103	94
FINC	50	52	67	75	68	79	69	69	65
GLAT	73	82	84	94	94	80	82	79	74
GLTR	n/a	n/a	n/a	n/a	n/a	3	2	1	1
HTMT	80	82	96	104	98	81	83	84	95
LCSR	34	41	54	51	51	58	54	57	60
MKTG	98	105	101	100	99	103	106	107	126
REAL	67	70	93	92	91	93	89	87	96
SB TOTAL	610	649	739	773	757	723	721	722	763

Besides the general institutional admission requirements, are there any separate or additional admission requirements for the proposed program?

- Yes
 No

If yes, explain. (1000 characters)

Are there any special articulation agreements for the proposed program?

- Yes
 No

If yes, identify. (1000 characters)

The Statewide Articulation Agreement requires that state four-year institutions allow students to transfer courses from designated two-year institutions and their institutional equivalents. A transfer student entering from a designated two-year institution can use general education and lower-level business courses, with the exceptions of MATH 250 (should they choose this option) and DSCI 232, as part of the 122 credit hours needed to graduate from the College of Charleston.

Curriculum

Course Name	Credit Hours	Course Name	Credit Hours	
Fall		Spring		
MATH 105 or MATH 120*	3	MATH 104 or MATH 250	3	
FYSM	3-4	HISTORY	3-4	
ENGL 110	3-4	HUMANITIES	3-4	
SCIENCE and LAB	3-4	SCIENCE and LAB	3-4	
HUMANITIES	3-4	LANGUAGE	3-4	
Total Semester Hours		15-19	Total Semester Hours	
15-19		15-19		
Fall		Spring		
ACCT 203	3	ACCT 204	3	
ECON 200	3	ECON 201	3	
DSCI 232	3	BLAW 205	3	
LANGUAGE	3-4	DSCI 304	3-4	
HISTORY	3-4	LANGUAGE	3-4	
Total Semester Hours		15-17	Total Semester Hours	
15-17		15-17		
Fall		Spring		
MGMT 301	3	REAL Elective	3	
MKTG 302	3	REAL 376	3	
FINC 303	3	DSCI 320	3	
REAL 310	3-4	REAL 410	3-4	
LANGUAGE	3-4	HUMANITIES	3-4	
Total Semester Hours		15-17	Total Semester Hours	
15-17		15-17		
Fall		Spring		
REAL 389	3	General Elective	3	
REAL Elective	3	REAL 418	3	
General Elective	3	General Elective	3-4	
General Elective	3-4	General Elective	3-4	
Total Semester Hours		12-13	Total Semester Hours	
12-13		15-18		

*MATH 101 is a prerequisite to these courses. The proposed program will provide students with a Commercial Real Estate Finance major critical path sheet explaining the prerequisites and co-requisites for each course. Some students will not need to take MATH 101 because of a passing score on the math placement test, a math AP score for this course of 3 or 4, or college credit associated with dual enrollment. For freshmen who need to take MATH 101, the program will advise them to take MATH 104 or MATH 250 either in the summer term or in the Spring semester of their freshmen year. A humanities course can be moved to their senior year.

Course Descriptions for New Courses

Course Name	Description
REAL 389 Real Estate Valuation Analysis (3)	This course focuses on the theory and practice of property valuation. Students are introduced to the fundamental valuation concepts and will gain experience by completing a real estate valuation of an income-producing property. Students will employ various real estate software and databases to complete their valuation. (Prerequisite(s): Junior standing; ACCT 203, 204, ECON 200, 201, MATH 104 or 250; DSCI 320, FINC 303, and REAL 310, or permission of the instructor).

REAL 418 Real Estate Feasibility Analysis: (3)	This capstone course provides an opportunity for students to synthesize the knowledge gained in their previous core business (Accounting, Finance, Marketing, Human Resources, management and Operations Management) and real estate coursework to ascertain the feasibility of a potential real estate development or redevelopment project. (Prerequisite(s): DSCI 304, REAL 310, REAL 376, and REAL 389. One course, REAL 410, can be taken concurrently with REAL 418.
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Faculty

Faculty and Administrative Personnel				
Rank	Full-or Part-time	Courses Taught or To be Taught, Including Term, Course Number & Title, Credit Hours	Academic Degrees and Coursework Relevant to Courses Taught, Including Institution and Major	Other Qualifications and Comments (i.e., explain role and/or changes in assignment)
Elaine Worzala, Professor and Director of the Program	Full-time	REAL 376: Real Estate Market Analysis, Fall and Spring, 3 REAL 418: Real Estate Feasibility, Fall and Spring, 3	PhD, Real Estate and Urban Land Economics, School of Business, University of Wisconsin-Madison	Designated as a Counselor of Real Estate Fellow of the Royal Institution of Chartered Surveyors Board member of numerous national and international commercial real estate professional associations
Chris Cain, Assistant Professor	Full-time	REAL 310, Real Estate Principles, Fall and Spring, 6 REAL 410, Real Estate Finance, Spring and Fall, 3	PhD, Finance, University of Alabama MA, Finance, University of Alabama JD, University of Alabama School of Law, BS, Finance, University of Alabama	
New Hire, Assistant Professor (vacant position)*	Full-time	REAL 389: Real Estate Valuation, Fall and Spring, 3 FINC 303, Fall and Spring, 3 Other Business Course, Fall, 3	PhD, Finance or Real Estate from an accredited university	
Valerie Hammett	Part-time	REAL 310, Real Estate Principles, Spring and Fall, 3	PhD, Planning, Design and the Built Environment, Clemson University MS, Environmental Policy and Management, American Public University BS, Real Estate Studies, Marylhurst University	
Bill Hassett	Part-time	REAL 380, Real Estate Investments, Spring and Fall, 3	MBA, Harvard University BA, Government, Cornell University	

Note: Individuals should be listed with program supervisor positions listed first. Identify any new faculty with an asterisk next to their rank.

Total FTE needed to support the proposed program (i.e., the total FTE devoted just to the new program for all faculty, staff, and program administrators):

Faculty	2.75	Staff	0	Administration	0.25
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Faculty /Administrative Personnel Changes

Provide a brief explanation of any additional institutional changes in faculty and/or administrative assignment that may result from implementing the proposed program. (1000 characters)

By Fall 2017, the School of Business will have three full-time real estate faculty. The Director/Professor position and one Assistant Professor position are recurring. The other Assistant Professor position is new beginning in Fall 2017. Academic Affairs has given approval for this new position as an Assistant Professor in the Department of Finance. Each of the faculty members will receive a course release for research productivity based on the AACSB Accreditation Standards. (Thus, each faculty member will teach three courses per semester.) In addition, the Director of the Carter Real Estate Center will receive another course release for being the lead faculty credentialed in real estate that provides guidance to the finance department chairperson about curriculum related issues for the real estate program. She is also the Director of the Carter Real Estate Center.

Library and Learning Resources

Identify current library/learning collections, resources, and services necessary to support the proposed program and any additional library resources needed. (1000 characters)

Current Library collections utilized in support of Proposed major

The Library currently has 181 books already in the collection and 2,471 non-fiction book/journal titles categorized under the subject heading "real property," which are available to College of Charleston students through PASCAL. The core journals needed for the program are already available in the College of Charleston Libraries' eJournal collection. In addition, current database resources are sufficient to support the proposed major

Core Journals

Appraisal Journal
Journal of Corporate Real Estate
Journal of Real Estate Finance and Economics
Journal of Real Estate Literature
Journal of Real Estate Research
National Real Estate Investor
Real Estate Economics
Real Estate Finance & Investment
Real Estate Issues
Emerald Full Text

Databases
Business Abstracts with Full Text
Business Insights: Essentials
Business Source Complete
IBISWorld- US Industry Reports
LexisNexis Academic
Marketline
SNL Database for Real Estate
Wall Street Journal

Additional Library Support Needed for Proposed Major None

Student Support Services

Identify academic support services needed for the proposed program and any additional estimated costs associated with these services. (500 characters)

The Commercial Real Estate Finance major requires knowledge of math, accounting, finance, and writing. The current student services for writing and tutors within the library are sufficient.

Physical Resources

Identify any new instructional equipment needed for the proposed program. (500 characters)

No new instructional equipment is needed. The Carter Real Estate Center is fortunate to have been given a software gift by ARGUS Software. This gift-in-kind is valued at \$1.4 million and makes available 50 ARGUS Enterprise and Developer licenses for students to use as well as laptop licenses for our faculty. (<http://www.argussoftware.com/>) The software will be used in two of the required upper-level classes. In addition, The Costar Group also provides students in some of the real estate courses free access to their proprietary database for the term of the course. This access is valued at \$900 per student per term.

Will any extraordinary physical facilities be needed to support the proposed program?

Yes

No

Identify the physical facilities needed to support the program and the institution's plan for meeting the requirements, including new facilities or modifications to existing facilities. (1000 characters)

The Commerical Real Estate Finance program will be housed within the School of Business existing facilities. No additional space is required at this time.

Financial Support

Estimated New Costs by Year						
Category	1 st	2 nd	3 rd	4 th	5 th	Total
Program Administration	0	0	0	0	0	0
Faculty & Staff Salaries	156,700	0	0	0	0	156,700
Graduate Assistants						
Equipment						
Facilities						
Supplies and Materials	0	0	0	0	0	0
Library Resources	0	0	0	0	0	0
Other*	156,700					
Total Uses of Funds	156,700	0	0	0	0	156,700
Sources of Financing						
Category	1 st	2 nd	3 rd	4 th	5 th	Total
Tuition Funding	629,580	989,340	1,349,100	1,708,860	2,158,560	6,835,440
Program-Specific Fees						
State Funding (i.e., Special State Appropriation)*	0	0	0	0	0	0
Reallocation of Existing Funds*	398,200	398,200	398,200	398,200	398,200	1,991,000
Federal Funding*						
Other Funding*	0	0	0	0	0	0
Total	1,027,780	1,387,540	1,747,300	2,107,060	2,556,760	8,826,440
Net Total (i.e., Sources of Financing Minus Estimated New Costs)	871,080	830,840	1,190,600	1,550,360	2,000,060	6,042,940

The Table only has one new cost associated with the new major – an Assistant Professor line with a base salary of \$130,000 and benefits estimated at 20% of the salary. The director’s salary and benefits as well as the other Assistant Professor and supplies/library resources are maintained at the existing levels. With regard to sources of funding, the above chart projects tuition funding assuming that 35% as the percentage of credit hours are from out-of-state students. This forecast is conservative given that over 50% of the business students over the past five years are out of state residence for the School of Business and the number of majors over the past three years for finance and marketing has increased tenfold to over 250 students. The interest in the Commercial Real Estate Finance major exceeds that of finance and marketing at this stage based on early indicators from student surveys and expressed interest. The reallocated existing funds are from a private donor associated with the Carter Real Estate Center (endowment) and the state operating accounts.

Budget Justification

Provide a brief explanation for the other new costs and any special sources of financing (state funding, reallocation of existing funds, federal funding, or other funding) identified in the Financial Support table. (1000 characters)

Note: Institutions need to complete this budget justification *only* if any other new costs, state funding, reallocation of existing funds, federal funding, or other funding are included in the Financial Support table.

As shown in the prior section detailing the list of faculty and instructors, the proposed budget includes a new cost for the vacant Assistant Professor of Real Estate position for Fall 2017. Including this new cost for an additional faculty member, the above financial support document shows that the program is expected to be self-sustainable based on the belief that tuition funding will cover the total cost every year.

Evaluation and Assessment

Programmatic Assessment: Provide an outline of how the proposed program will be evaluated, including any plans to track employment. Identify assessment tools or software used in the evaluation. Explain how assessment data will be used. (3000 characters)

Provide students with a strong liberal arts foundation as part of a comprehensive commercial real estate finance program.

The following table presents a detailed mapping of specific program-level learning goals, onto the proposed program's curriculum.

	Commerical Real Estate Finance Core Courses						Commerical Real Estate Finance Electives			
	REAL 310	REAL 376	REAL 389	REAL 410	REAL 418	REAL 360	REAL 380	REAL 420	REAL 444	REAL 499
Computational sophistication by completing valuation and financial feasibility experiential or case study assignments for real estate development projects	I	R	R	R	D	R	R	--	R	D
Ability to identify social, ethical and global issues	I	I	I	I	D	R	R	R	R	D
Effective oral and written communication skills as they explain how important real estate issues	R	R	--	--	D	--	R	--	D	D
Effective application of theoretical knowledge within an experiential learning environment	R	R	R	--	D	R	R	R	D	--
Critical thinking when providing development/redevelopment solutions to complex real estate issues	I	R	R	--	D	D	D	D	D	--
Notes: I=Introduced; R=Reinforced; D=Demonstrated.										

Grow the educational and career opportunities for students attending the College of Charleston.

Program-level student learning outcomes will be assessed in a manner that is consistent with standards set forth by the Southern Association of Colleges and Schools (SACSCOC) and Association to Advance Collegiate Schools of Business (AACSB) accreditation bodies. Currently, the School of Business has a well-established approach to program assessment that has been evaluated by SACSCOC and AACSB. This process will be extended to include the proposed major. The Department of Finance and the School of Business Assessment Committee will assess program-level student learning outcomes each year. Similar to every other undergraduate program in the School of Business, assessment methods will include both direct and indirect measures. Examples include in-class assessment instruments (e.g., rubrics on communication and presentation skills, projects, course-embedded assessment, etc.); graduating student surveys; and feedback from internship and/or permanent employers; and the ETS Major Field Test for national benchmarking. The evaluation and assessment accounts for diversity in individual student learning styles. Research shows that students believe their learning is improved when they have a chance to develop a skill outside of the traditional lecture setting (Lambert, Tant, and Watson, 2008). Lambert et al. (2008) found that students were willing to come to class more prepared for computer laboratory sessions because they valued the applied setting. A measure of program success is students' ability to pass the popular ARGUS Certificate program prior to graduation.

Provide students with a professional degree that leads to full employment directly after graduation.

The proposed program plans to administer post-graduation surveys online to track graduates' job placement periodically.

Will the proposed program seek program-specific accreditation?

- Yes
 No

If yes, provide the institution's plans to seek accreditation, including the expected timeline for accreditation. (500 characters)

Will the proposed program lead to licensure or certification?

- Yes
 No

If yes, explain how the program will prepare students for licensure or certification. (500 characters)

According to the State of SC Licensing commission, if a student has a four-year baccalaureate degree with a Commercial Real Estate Finance major, the person does not have to take the pre-licensing course for any license type, or meet the experience requirements for broker qualifications <http://www.lronline.com/POL/REC/RECPDF/REC%20LICENSING%20FAQ.pdf>. If a student chooses to go into this sector of the field, he/she can benefit significantly by not taking the pre-licensing courses. However, many of our students will likely not go in to commercial brokerage or sales but will be appraisers, lenders, developers, property managers, investment managers, investors and/or go on to graduate work to be either planners or lawyers.

ACAP
1/26/17
Agenda Item 2g

Teacher or School Professional Preparation Programs

Is the proposed program a teacher or school professional preparation program?

Yes

No

If yes, complete the following components.

Area of Certification

Please attach a document addressing the South Carolina Department of Education Requirements and SPA or Other National Specialized and/or Professional Association Standards.

December 16, 2016

Dr. John Lane
Director - Academic Affairs
SC Commission on Higher Education
1122 Lady Street - Suite 300
Columbia, SC 29201

Dear Dr. Lane,

Please accept this memo explaining the fact that the College of Charleston is attaching the AB (Artium Baccalaureatus) degree to the proposal for a BS in Commercial Real Estate Finance degree. The AB degree can be attached to any BA or BS major at the College with the exception of the degree in Classics. Every BA or BS major in the Undergraduate Catalog can be earned with the AB degree and awarded as long as the additional requirements for the AB are met. These requirements are published in the undergraduate catalog. To earn the AB degree a student must

- Complete all required courses in any major,
- Achieve advanced proficiency in either Latin or Ancient Greek as demonstrated by the completion of two courses in one of these languages at the 300 level or above (LATN 305, LATN 321, LATN 322, LATN 323, LATN 371, LATN 372, LATN 373, LATN 390, LATN 490 or two courses from GREK 321, GREK 322, GREK 323, GREK 324, GREK 325, GREK 326, GREK 371, GREK 372, GREK 390 or GREK 490), and
- Complete two courses in classical civilization selected from the list of approved courses.

The option for an AB degree is a distinctive feature of the College's status as the thirteenth oldest university in the United States and its history and tradition as a liberal arts institution. Only a few students earn the AB in any given academic year.

The AB degree does not change the subject content for any of the stand-alone BA or BS majors offered at the College. CHE has approved many College of Charleston baccalaureate programs over the decades, and the AB is an option for all of them (with the exception of the Bachelor of Professional Studies).

Sincerely,



Dr. Lynn Cherry
Associate Provost for Curriculum and Institutional Resources

cc: Dr. Brian McGee, Provost