MEMORANDUM

To: Chair Terrye Seckinger, and Members, Committee on Academic Affairs and Licensing

From: John Lane, DMA, Director of Academic Affairs

Commercial Real Estate Finance Additional Information

Following the Thursday, March 9, 2017 CAAL meeting, Commission staff transmitted remaining Committee questions to the College of Charleston about its Commercial Real Estate Finance program proposal. Institutional responses are listed in addenda under each inquiry and are included in the attachments.

1. CIP code identification for the College of Charleston’s existing Real Estate concentration, the University of South Carolina Bachelor of Science in Business Administration Real Estate major (BSBADmin), and the Clemson University Real Estate Development Master’s Degree (MRED).
   **Addendum 1:** Real Estate Program Information by Institution

2. The number of real estate courses offered by College of Charleston. Course descriptions, program capacity, current program enrollment, and employment rates of current College of Charleston Real Estate majors.
   **Addendum 2:** Pages 11 - 14 of Program Proposal Packet
   **Addendum 3:** College of Charleston Syllabi

3. Support for proposed Commercial Real Estate Finance Program
   **Addendum 4:** Letter from Ben Carter

4. Current real estate certification categories in the state of South Carolina as it relates to commercial real estate finance
   **Addendum 5:** Email from Beau Tiller
   **Addendum 6:** LLR website categories and definitions
5. The USC BSBAadmin Real estate program
   a. Course descriptions
   b. Enrollment
   c. Capacity
   d. Post-graduation employment rates
      Addendum 7: Email from Patricia Jones
      Addendum 8: Email from Brian Shelton
      Addendum 9: USC Course Descriptions from online Bulletin

6. Clemson MRED program
   a. Course descriptions
   b. Enrollment
   c. Capacity
   d. Post-graduation employment rates
      Addendum 10: Email from Robert Benedict
      Addendum 11: Course Catalog
### Table One

**CIP code by major and institution**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Degree</th>
<th>Program Name</th>
<th>CIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>USC-Columbia</td>
<td>BSBAadmin</td>
<td>Real Estate</td>
<td>521501</td>
</tr>
<tr>
<td>Clemson University</td>
<td>MRED</td>
<td>Real Estate Development</td>
<td>521501</td>
</tr>
<tr>
<td>College of Charleston</td>
<td>BA</td>
<td>Commercial Real Estate Finance</td>
<td>521501</td>
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</table>
Description of the Program

Projected Enrollment

<table>
<thead>
<tr>
<th>Year</th>
<th>Fall Headcount</th>
<th>Fall Credit Hours</th>
<th>Spring Headcount</th>
<th>Spring Credit Hours</th>
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<tr>
<td>2017-18</td>
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<td>525</td>
<td>35</td>
<td>525</td>
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<tr>
<td>2018-19</td>
<td>55</td>
<td>825</td>
<td>55</td>
<td>825</td>
</tr>
<tr>
<td>2019-20</td>
<td>75</td>
<td>1,125</td>
<td>75</td>
<td>1,125</td>
</tr>
<tr>
<td>2020-21</td>
<td>95</td>
<td>1,425</td>
<td>95</td>
<td>1,425</td>
</tr>
<tr>
<td>2021-22</td>
<td>120</td>
<td>1,800</td>
<td>120</td>
<td>1,800</td>
</tr>
</tbody>
</table>

Enrollment is initially expected to consist of 35 students with many of them 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

<table>
<thead>
<tr>
<th>Semester/Year</th>
<th>Spring 2013</th>
<th>Fall 2013</th>
<th>Spring 2014</th>
<th>Fall 2014</th>
<th>Spring 2015</th>
<th>Fall 2015</th>
<th>Spring 2016</th>
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<tbody>
<tr>
<td>ACCT</td>
<td>247</td>
<td>222</td>
<td>268</td>
<td>250</td>
<td>255</td>
<td>224</td>
<td>237</td>
</tr>
<tr>
<td>BADM</td>
<td>1,028</td>
<td>863</td>
<td>997</td>
<td>808</td>
<td>892</td>
<td>805</td>
<td>881</td>
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<tr>
<td>ECON</td>
<td>142</td>
<td>103</td>
<td>107</td>
<td>75</td>
<td>92</td>
<td>87</td>
<td>77</td>
</tr>
<tr>
<td>FINC**</td>
<td>n/a</td>
<td>29</td>
<td>121</td>
<td>142</td>
<td>197</td>
<td>198</td>
<td>246</td>
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<tr>
<td>HTMT</td>
<td>284</td>
<td>233</td>
<td>302</td>
<td>256</td>
<td>300</td>
<td>288</td>
<td>319</td>
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<tr>
<td>INTB</td>
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<td>212</td>
<td>262</td>
<td>228</td>
<td>257</td>
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<tr>
<td>MKTG**</td>
<td>n/a</td>
<td>24</td>
<td>129</td>
<td>150</td>
<td>203</td>
<td>221</td>
<td>260</td>
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<td>SCIM***</td>
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<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>41</td>
<td>62</td>
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<tr>
<td>SB TOTAL</td>
<td>1,936</td>
<td>1,686</td>
<td>2,166</td>
<td>1,909</td>
<td>2,196</td>
<td>2,078</td>
<td>2,310</td>
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### Recent Trends of the Total Minor/Concentration Students in The School of Business

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<tr>
<th>Month/Year</th>
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<th>Sep-14</th>
<th>Jan-15</th>
<th>Feb-15</th>
<th>Mar-15</th>
<th>Oct-15</th>
<th>Jan-16</th>
<th>Feb-16</th>
<th>Apr-16</th>
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<tbody>
<tr>
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<td>94</td>
<td>112</td>
<td>117</td>
<td>118</td>
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<td>92</td>
<td>91</td>
<td>102</td>
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<tr>
<td>ECON</td>
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<td>39</td>
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<td>46</td>
<td>45</td>
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<tr>
<td>ENTR</td>
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<td>94</td>
<td>93</td>
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<td>101</td>
<td>103</td>
<td>94</td>
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<tr>
<td>FINC</td>
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<td>75</td>
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<td><strong>79</strong></td>
<td><strong>69</strong></td>
<td><strong>69</strong></td>
<td><strong>65</strong></td>
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<tr>
<td>GLAT</td>
<td>73</td>
<td>82</td>
<td>84</td>
<td>94</td>
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<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>HTMT</td>
<td>80</td>
<td>82</td>
<td>96</td>
<td>104</td>
<td>98</td>
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<td>LCSR</td>
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<td>54</td>
<td>57</td>
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<tr>
<td>MKTG</td>
<td>98</td>
<td>105</td>
<td>101</td>
<td>100</td>
<td>99</td>
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<td>106</td>
<td>107</td>
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<tr>
<td>REAL</td>
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<td><strong>93</strong></td>
<td><strong>89</strong></td>
<td><strong>87</strong></td>
<td><strong>96</strong></td>
</tr>
<tr>
<td>SB TOTAL</td>
<td>610</td>
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<td>773</td>
<td>757</td>
<td>723</td>
<td>721</td>
<td>722</td>
<td>763</td>
</tr>
</tbody>
</table>

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)

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Are there any special articulation agreements for the proposed program?

- ☐ Yes
- ☑ No

If yes, identify. (1000 characters)
## Curriculum

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Credit Hours</th>
<th>Course Name</th>
<th>Credit Hours</th>
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</thead>
<tbody>
<tr>
<td>MATH 105 or MATH 120* Calculus</td>
<td>3</td>
<td>MATH 104 or MATH 250</td>
<td>3</td>
</tr>
<tr>
<td>F YE First Year Experience</td>
<td>3-4</td>
<td>HISTORY</td>
<td>3-4</td>
</tr>
<tr>
<td>ENGL 110 Introduction to Academic Writing</td>
<td>3-4</td>
<td>HUMANITIES</td>
<td>3-4</td>
</tr>
<tr>
<td>SCIENCE and LAB</td>
<td>3-4</td>
<td>SCIENCE and LAB</td>
<td>3-4</td>
</tr>
<tr>
<td>HUMANITIES</td>
<td>3-4</td>
<td>LANGUAGE</td>
<td>3-4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Semester Hours</td>
<td>15-19</td>
<td>Total Semester Hours</td>
<td>15-19</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>ACCT 203 Financial Accounting</td>
<td>3</td>
<td>ACCT 204 Managerial Accounting</td>
<td>3</td>
</tr>
<tr>
<td>ECON 200 Principles of Microeconomics</td>
<td>3</td>
<td>ECON 201 Principles of Macroeconomics</td>
<td>3</td>
</tr>
<tr>
<td>DSCI 232 Business Statistics</td>
<td>3</td>
<td>BLAW 205 Legal Environment of Business</td>
<td>3</td>
</tr>
<tr>
<td>LANGUAGE</td>
<td>3-4</td>
<td>DSCI 304 Production and Operations Management</td>
<td>3-4</td>
</tr>
<tr>
<td>HISTORY</td>
<td>3-4</td>
<td>LANGUAGE</td>
<td>3-4</td>
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<td>Total Semester Hours</td>
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<td></td>
<td></td>
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<td>MGMT 301 Management and Organizational Behavior</td>
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<td>REAL Elective</td>
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<tr>
<td>MKTG 302 Marketing Concepts</td>
<td>3</td>
<td>REAL 376 Real Estate Market Analysis</td>
<td>3</td>
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<tr>
<td>FINC 303 Business Finance</td>
<td>3</td>
<td>DSCI 320 Management Information Systems</td>
<td>3</td>
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<tr>
<td>REAL 310 Principles of Real Estate</td>
<td>3-4</td>
<td>REAL 410 Real Estate Finance</td>
<td>3-4</td>
</tr>
<tr>
<td>LANGUAGE</td>
<td>3-4</td>
<td>HUMANITIES</td>
<td>3-4</td>
</tr>
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<td>Total Semester Hours</td>
<td>15-17</td>
<td>Total Semester Hours</td>
<td>15-17</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td>REAL 390 Real Estate Valuation Analysis</td>
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<td>General Elective</td>
<td>3</td>
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<tr>
<td>REAL Elective</td>
<td>3</td>
<td>REAL 419 Real Estate Feasibility Analysis</td>
<td>3</td>
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<td>General Elective</td>
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<td>General Elective</td>
<td>3-4</td>
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<tr>
<td>General Elective</td>
<td>3-4</td>
<td>General Elective</td>
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<tr>
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<td>HUMANITIES</td>
<td>3-4</td>
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<td></td>
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<td></td>
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<tr>
<td>Total Semester Hours</td>
<td>12-13</td>
<td>Total Semester Hours</td>
<td>15-18</td>
</tr>
</tbody>
</table>

*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

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>REAL 390 Real Estate Valuation Analysis (3)</td>
<td>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).</td>
</tr>
<tr>
<td>REAL 419 Real Estate Feasibility Analysis: (3)</td>
<td>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 390. One course, REAL 410, can be taken concurrently with REAL 419.</td>
</tr>
</tbody>
</table>

Given that real estate is a capital-intensive asset, finance is embedded in all of the required real estate courses for the Commercial Real Estate Finance major. In addition, FINC 303, an introductory course on finance is required. The Real Estate Principles (REAL 310) course takes the basic finance learned in FINC 303 and applies it to owning real estate. The Real Estate Markets Analysis (REAL 376) course expands the discussion and looks at the financial markets in more detail as the availability of capital certainly impacts the supply and demand for real estate. Real Estate Finance (REAL 410) course specifically examines the use of financing and students study the various sources of financing available from Wall Street to Main Street. To more clearly highlight the finance nature of this course, the Finance Department has approved a request to change the abbreviation of REAL 410 to FINC 410 if the major is approved. We will also change the abbreviation of REAL 380 Real Estate Investments to FINC 380 as that class is also almost exclusively finance. The proposed new courses apply what the students have learned in their other courses to real estate projects. In the Real Estate Valuation Analysis (REAL 390) course, the students will be studying a commercial investment property that is already fully leased up and occupied. The students will need to examine the availability of finance/capital for their assigned property type. And, finally, in the Real Estate Feasibility Analysis (REAL 419) course, students will be analyzing the finance/capital sources available for a new development or redevelopment. Often these types of projects involve different sources of financial capital. In addition, many of the electives available for the students to choose are finance courses if a student decides to pursue the career path of Wall Street or institutional investment.

Faculty

<table>
<thead>
<tr>
<th>Faculty and Administrative Personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank</td>
</tr>
</tbody>
</table>
Summary of Where Finance is Covered in the Commercial Real Estate Major
Syllabi are attached and the finance coverage is highlighted in yellow

Real Estate Required Courses with Finance in them: (15 credits)

FINC 303 Business Finance
REAL 310 Principles of Real Estate
REAL 410 Real Estate Finance
REAL 390 Real Estate Valuation Analysis
REAL 419 Real Estate Feasibility Analysis

The only real estate course without finance is REAL 376 Real Estate Market Analysis

Electives (student choose six credits out of list of 24 classes, 50% of them have finance in them and are listed below:

REAL 380 Real Estate Investments has finance as a major component
REAL 360 Real Estate Special Topics could have finance in it. The current one would only have finance in it if the student decided to do their project as an investor or lender.
REAL 420 Real Estate Independent Study Topic will be based on the student’s interest. Sample syllabus was not related to finance but it could be. Will depend on the student and the professor.
REAL 444 Real Estate Internship will be based on the student’s interest. Sample syllabus is general in nature and what the student does will depend on the company they work for. Students often have internships where they are using the financial skills to analyze real estate. Was not related to finance but it could be. Will depend on the student, the professor and the company the student is working for.
REAL 499 Bachelor’s Essay Topic will be based on the student’s interest. Sample course description is related to finance. Will depend on the student and the professor.
FINC 313 Management of Financial Institutions
FINC 360 Special Topics in Finance
FINC 385 Individual Risk Management and Insurance
FINC 389 Financial Management Information Systems (3)
FINC 450 Applied Portfolio Management I (3)
FINC 451 Applied Portfolio Management II (3)
HTMT351 Hotel Management
REAL 310
Principles of Real Estate
Spring 2017

Professor: Chris Cain, J.D., Ph.D, CFA
Office: J.C. Long 308
Office Hours: MW 1:00-3:00 PM, T 1:00-3:00 PM, Or by appointment
Phone: 843-953-1063
Email: cainel@cofc.edu (preferred contact method)

Course Description:

The College of Charleston Undergraduate Course Catalog describes this course in the following manner. A basic course designed to cover the legal, financial, economic and marketing concepts related to real estate. Topics include property rights (contracts, deeds, mortgages, leases, liens); property ownership (titles, closing of settlement, insurance, taxes); financing (interest rates and mortgage types); brokerage; and property evaluation.

Essentially, this course serves as an introduction to the field of real estate, and provides an overview of many concepts within that field. For students who wish to learn more, many of the concepts covered have entire elective courses devoted to them.

Course Learning Objectives:

At the conclusion of the semester, students will be able to describe the field of real estate and many of the career opportunities available in this field. They will understand the legal and regulatory framework that surrounds the practice of real estate. Students will understand the terminology and processes involved in the sale or rental of real estate, and the ethical obligations of those involved.

Relationship to School of Business and Economics Learning Goals:

Global And Civic Responsibility – This course requires that students learn the legal and ethical obligations associated with real estate transactions. Most real estate transactions have long term implications for the use of scarce resources, and those implications require an understanding of the ethical obligations involved.

Synthesis – Real Estate involves combining knowledge of several fields, among them law, finance, and marketing. Students must be able to synthesize knowledge for all of these fields together.
Course Prerequisites:

According to the College of Charleston Undergraduate Course Catalog, the prerequisites for this course are junior standing.

Text:
Real Estate Principles: A Value Approach by David Ling and Wayne Archer, 4th Edition. We are using an abridged version made specifically for this course that is entitled Real Estate Principles: REAL 310. CARTER REAL ESTATE CENTER.

To purchase an e-copy of the book for $96.04 please go to https://create.mheducation.com/shop and search by the isbn 9781308281148. You can purchase with a credit card.

You can purchase a hard copy of the book from the bookstore or

You can also buy or rent a complete version of the book at Amazon or some of the other booksellers. You will have time to check all of your options and allow for a reasonable shipping time. I encourage you to make the best financial decision possible for you.

Calculator:
This class will involve the use of a financial calculator. In class, I use the Texas Instruments BA II Plus Financial Analyst to work problems. You may use any financial calculator you wish, but I will support the TI BA II Plus in class. There is a high probability that your future finance and real estate classes will require the use of a financial calculator.

Letter grades, with associated +’s or –’s, will be assigned according to the following scale.

<table>
<thead>
<tr>
<th>% Average</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-100</td>
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</tr>
<tr>
<td>88-89.99</td>
<td>A-</td>
</tr>
<tr>
<td>86-87.99</td>
<td>B+</td>
</tr>
<tr>
<td>83-85.99</td>
<td>B+</td>
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<tr>
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<td>D-</td>
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<tr>
<td>59.99 and</td>
<td>F</td>
</tr>
</tbody>
</table>

below
Supplementary Texts:
State of South Carolina License Law, Rules and Regulations by the South Carolina Real Estate Commission.

Barron’s Real Estate Handbook, 5th ed, J.C. Harris and J.P. Friedman, editors, Barron’s.

Additional Resources:
1. I will sometimes make important course materials available to you on the internet via OAKS. Examples of such materials would include the course syllabus, chapter outlines, copies of notes that I use in class, and old exams. Please check regularly for the most recent additions.

2. The Center for Student Learning at the Addlestone Library (843-953-5635) offers a wide variety of assistance to students. Even though REAL 310 is not a course normally covered by their regular tutors, you can still get tutoring assistance for this class by making a request online at www.cofc.edu/~csl. They also offer numerous study skills seminars on such topics as time management, note taking, and test taking. Finally, if you are thinking about graduate school, they offer several study groups for various graduate school entrance exams.

3. The School of Business Career Services Office (843-953-4966) on the first floor of the Beatty Center offers help with resumés, cover letters, and interviewing skills. They are also your source for information about internship opportunities and upcoming career fairs, on-campus recruiting, and organization meetings. Whether you are planning to enter the workforce or go on to graduate school right away, the help available in the Career Services Office can be invaluable to you.

Grading:
Three exams will be given. The three midterm exams each account for 30% of your final grade. The final is non-comprehensive and will also account for 30% of your final grade. Exams are a mixture of short answer, problem solving, and essay. The remaining 10% will be determined by homework/other assignments announced in class.

The dates of the exams are tentatively as follows:

- Midterm 1: Wednesday, February 15
- Midterm 2: Wednesday, March 22
- Final Exam: As listed on Final Exam Schedule

CHECK THE FINAL EXAM SCHEDULE NOW! In the past I have tried to accommodate students on final exam times, but my classes are usually very full. That either means that I have people sitting in classes with no seats, or I am scheduling multiple exam times for several different people. Such scheduling quickly becomes unworkable, as once an exception is given
for one person it is becomes difficult to deny another. Therefore, I am planning to closely follow the final exam schedule this semester. Book your flights, weddings, vacations, etc. accordingly.

Make-Up Policy:
Exams are given in class, so time conflicts should not occur. If extenuating circumstances cause you to miss an exam, then you must contact the professor or the Department of Economics and Finance secretarial staff (843-953-8100) by 4:30 p.m. the day following the exam, including weekends. If no contact is made, then your exam grade is a zero and cannot be made up. If you make contact, and the extenuating circumstances you describe are deemed valid, then you will be allowed to take a comprehensive make-up during the regularly scheduled final exam time that will count as both the missed exam and the final exam. This exam is in addition to your final exam, and you must make arrangements with the instructor prior to the exam to take it. If you miss the final, and make contact as required above, then you will be allowed to take a comprehensive make-up at a time to be determined, assuming a valid excuse is present.

Other Policies:
1. Attendance at regular class meetings is strongly encouraged, but is not required. However, please bear in mind that attendance has been shown to correlate strongly with performance on assignments. Much of the material we cover in class is not covered in the book, or is covered in a different order, so class attendance is generally beneficial to learning.
2. If you must come in late or leave early, please do so quickly and quietly.
3. To appeal your grade on an exam, write down the reason you feel you deserve more points on a particular question and turn in your reason, along with the exam, to the professor within one calendar week of the exam being returned to you. Appeals made after the one-week deadline (e.g. at the end of the semester) will not be considered.
4. Cell phones, pagers, and digital music equipment are to be turned off and put away before class, especially during exams. It is disruptive to the professor and to the rest of the class to have a phone suddenly ring.
5. In addition, you may not use a cell phone or a PDA as a calculator on exams.
6. I do not send out grades of any variety via e-mail, so do not ask me to send you your score on a test or your final grade in the class. I cannot.
7. The last day to normally drop this course is the close of business, usually 4:30 P.M., on Thursday, March 23, 2017. Any student withdrawing by this date will receive a “W” on the transcript. To drop the course before this date, you may either use Cougar Trail or submit the required paperwork to the Registrar’s Office in 281 Lightsey Center (843-953-5668). After the deadline, students normally are not permitted to drop a course. Students with extenuating circumstances may present a written petition to drop this course to the Director of Undergraduate Academic Services in 206 Randolph Hall (843-953-5674). Petitions to the Director must be accompanied by significant supporting documents to verify the circumstances cited in the petition. Students must be aware that claims cited in the petition will be verified BEFORE completion of the drop is permitted. Generally, the drop will only be
granted if continuing in the course would be detrimental to the student’s health or if the extenuating circumstances prevent the student’s continued enrollment. Poor academic performance is not sufficient justification to drop any course and the professor must approve the drop.

Academic Honor Code Statement:
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the professor determines the student’s actions are clearly related more to a misunderstanding will be handled by the professor. A written explanation designed to help prevent the student from repeating the error in the future will be given to the student by his or her professor. The explanation, submitted by form and signed by both the professor and the student will be forwarded to the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the professor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years, after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal), or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration – working together without permission — is a form of cheating. Unless the professor specifies that students can work together on an assignment and/or test, no collaboration is permitted. Other forms of cheating included possessing or using an unauthorized study aid (such as a PDA), copying from others’ exams, fabricating data, and giving unauthorized assistance.

Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the professor.

Students can find the complete Honor Code and all related processes in the Student Handbook at http://www.cofc.edu/studentaffairs/general_info/studenthandbook.html.
Equal Education Opportunity:
The College of Charleston abides by Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act that stipulates no students shall be denied access to an education "solely by reason of a handicap." Disabilities covered by law include, but are not limited to, learning disabilities and hearing, sight, or mobility impairments. Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsibility for notifying me as soon as possible and for contacting me one week before accommodation is needed.

The College of Charleston and this professor are committed to equal opportunity in education and do not discriminate on the basis of race, color, religion, national origin, sex, age, or against qualified handicapped persons, disabled veterans, or veterans of the Vietnam era, as identified and defined by law.
Topic Outline and Reading Assignments

Subject

Listing and Searching for Real Property           Ch 12, 15
What Comes with the Property?                   Ch 2
Negotiation                                     Ch 12, 13
Getting to Closing                               Ch 7, 8, 2, 3
Closing and Immediate Post-Closing               Ch 13
Types of Ownership                              Ch 2
Types of Deeds                                  Ch 3
Recording of Property Interests                 Ch 3
Limitations on Ownership                        Ch 4
Leases                                          Ch 22

Careers in Real Estate                          No Chapter
Commercial Applications                         Ch 16, 17
REALESTATE

REAL 376 - REAL ESTATE MARKET ANALYSIS
Spring, 2017; TTH 3:05 – 4:20, EDCT 101
Instructor: Professor Elaine Worzala
Contact Information: worzalaem@cofc.edu or 953-8121 or 858-353-2067 (cell)
Office Hours: T and TH, 10:00 – 11:30 or by appointment, Beatty 112

Course Description
According to the College of Charleston Undergraduate Course Catalogue this courses is:
“A study of real estate markets introducing a comprehensive approach to market analysis for commercial and
residential projects. At the micro-level, this approach accommodates feasibility studies, site selection proposals,
as well as highest and best use analysis. At the macro-level, skills are introduced to forecast market direction in
real estate.”

Learning Objectives: This course is designed to provide the students with the tools needed to research and
analyze the market for making single-family, multi-family, industrial, office, retail, hotel/motel, and mixed-
use/special-use real estate investment decisions. Material covered will provide the students with the fundamental analytical techniques that will then be applied to case studies for several property types. The real
estate market here in Charleston is a terrific laboratory and local guest speakers as well as a competitive market
analysis of a local project will provide students with current examples that will provide a greater depth of
understanding of the various market segments.

After completing this course, the student should be able to:
1. Understand the fundamentals of real estate market analysis including how to delineate a market area,
   study demand and supply for various product types, assess marketability, collect reliable data, and
   understand quantitative research;
2. Know how to find sources for information about real estate markets and different types of properties;
3. Understand how market analysis fits into the investment and development process as a way to
   improve decision making at each stage;
4. Have demonstrated the ability to research, analyze, and differentiate issues that affect the markets for
   one of the following types of real estate: single-family, multi-family, industrial, office, retail, or mixed-
   use/special-use real estate.

Prerequisite
Junior standing: ACCT 203, 204, ECON 200, 201, MATH 104 or 250; or permission of the instructor.

Required Resources:
   Washington D.C.: Urban Land Institute, 2015. Available at the Bookstore, Amazon.com, and the online
   bookstore at www.uli.org.
2) Access to and working knowledge of Microsoft Office Products
The textbook is a primary source of information. The lectures, in some cases, will follow the text, but in other cases, may be drawn from other sources. You should know both the textbook and the lectures. In addition, supplementary materials will be posted on Oaks that will be useful in the competitive market analysis projects.

**Useful Resources:**

1) *Wall Street Journal, New York Times, Financial Times or other major newspaper*
2) *Post and Courier*
3) Other Real Estate Related Press that will be highlighted in class

**School of Business Learning Goals**
This course directly addresses the Learning Goals established by the School of Business:

**COMMUNICATION SKILLS:** Students will demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner. Implementation: Final project includes interviews with real estate professionals, a written executive summary and a presentation to the class with a panel of judges that will choose the best presentations. Demonstration of Achievement: Each student will be assessed on their abilities in both written and oral presentations in the final project of the class.

**QUANTITATIVE FLUENCY:** Students will demonstrate competency in logical reasoning and data analysis skills. Implementation: Students will be required to analyze market conditions and rental rates as well as their impact on the valuation of the property with the alternative uses. Demonstration of Achievement: Students will be assessed on the quantitative analysis in their projects and their ultimate conclusions on the use they have chosen for their assigned projects.

**SYNTHESIS:** Students will demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks. Implementation: The final project is designed for students to apply data they have gathered on the legal and political attributes, the market conditions as well as the financial aspects of the alternative uses for the given project. Demonstration of Achievement: Students will be assessed on their final project on their ability to understand the various disciplines impacting the project including legal, political, financial, and market feasibility.

**Course Work**

**Exams (200 points):** There will be two midterms in this course.

**Five Attribute Analysis Presentation (50 points):** This will be a team exercise, groups of three to four, where you will choose a King Street property to present based on the Five Attribute Analysis that we will discuss in class. You will prepare/deliver a short power point presentation (5 minutes) to the class summarizing the five attributes. Prepare a one page handout for the students in the class and a 2-3 page executive summary that highlights the major points of your presentation in a professional written document. Presentations, handouts and papers will be due on February 2, 2017.

**Daily Reflective Journals Sheets on Professional Speakers (best 5 for 50 points):** At the beginning of each professional presentation you will be provided with a daily journal sheet to record your experiences for the day. Journal sheets will be handed out and collected during the class period that the professional spoke and must be fully completed.

**Reflective Essays for Outside Presentations (20 points):** Each student is responsible for writing up two different guest speakers, presentations or field trips that are related to this course but that are outside of the class. Many
opportunities are provided by the course schedule but if there are alternative opportunities students can opt to write about those. For each one, write a 1-2 page reflective essay (double spaced, 12 point font) on what the speaker had to say about real estate market analysis. That is, take their talk and somehow relate it to the topics discussed in this class, real estate market analysis. In order to get full credit for this assignment you must relate their presentation to the focus of this class, real estate market analysis. This is not intended to be a difficult assignment. It is an opportunity for you to get out and network and apply concepts discussed in class to other things that are happening on campus. In addition, the essays need to be well-written. We will be looking for some really well written ones that we can post on the website. These essays are due within one week of the event and should be posted to the Oaks site. Please label the files REAL 376_Your Name_Essay #. Points will be deducted if files are not labeled correctly.

**Competitive Market Analysis Paper and Presentation (150 points):** Students will be broken up in to teams of three to four and each team will do a Competitive Market Analysis for their assigned “client”. There will be three groups assigned to three different professional sponsors and teams will compete for a cash prize. The client will meet with the groups to provide details on the sites and it will be up to each team to complete a market analysis and determine the best use for the site based on their market analysis/research. The paper should be 8-10 pages long, double spaced and 12 point and will include the research and analysis necessary to support the conclusion(s) the team has reached. The students will make a 15 minute presentation and provide a 1-page Executive Summary that will be given to all classmates to facilitate a discussion about the project. Students must use Costar as well as at least two additional external sources.

**Attendance Points and Class Participation (30 points):** Class attendance is absolutely essential. All missed classes will be noted. The policy on missed classes is to allow each student two absences, no questions asked, no penalty. All further absences over this limit will reduce the student’s grade on a sliding scale of points thereafter:

2 Absence  Free
3 Absences -5 Points
4 Absences -10 Points
5 Absences Fail

Five unexcused “absences” and the student will receive a final grade of F. Attendance will be taken daily and recorded.

For athletic or academic absences required by a role within the university will not count in these missed classes but students must work with me to make up missed work due to these extracurricular activities. Please note that students should provide documentation of their role and they must do so a week before their absence. If a student misses classes because they are ill documentation from the health center is required in order to not have this count as an absence. Remember, you have two free ones but after that the absences must have documentation or they will count against you.

Half of the points in this section are for participation. Participation will be measured by your attitude in class but also by how you conduct yourself in your teams. Evaluations will be completed by your team members as well as your client sponsors so you all need to make sure to participate in the team meetings, particularly with your clients.

Class meetings start promptly. Habitual lateness (and leaving class early) will be noted as evidence of low course commitment and similarly be penalized as an absence. This policy is non-negotiable.
Class Methodology

Class lecture will include a great deal of information based on the instructor’s experience and knowledge as well as a large number of guest speakers. In addition, class participation is important as you will be required to ask at least one question of each professional and complete a reflective journal sheet. The information in assigned text readings will enhance this classroom experience. Students are required to read the textbook assignments PRIOR to class so that a meaningful discussion can be held. This course is not designed as a monologue. Student participation is expected.

Assignment Expectations

Following the School of Business learning goal of effective communications, all written work (including presentations) must be completed in professional style and follow basic principles of effective written communication. As any potential investor (or employer) would expect, all written work should be neat, well-organized, clearly written, and free from grammatical and/or typographical errors. In other words, grammar, spelling and formatting will count as part of the grade on all assignments (including presentations).

<table>
<thead>
<tr>
<th>Grading:</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two Exams (100 points each)</td>
<td>200</td>
</tr>
<tr>
<td>Attribute Analysis Presentation and Assignment</td>
<td>50</td>
</tr>
<tr>
<td>Reflective Journals on Guest Speakers/Presentations</td>
<td>50</td>
</tr>
<tr>
<td>Reflective Essays for Outside Presentations</td>
<td>20</td>
</tr>
<tr>
<td>Competitive Market Analysis Paper and Presentation</td>
<td>150</td>
</tr>
<tr>
<td>Class Participation</td>
<td>30</td>
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<tr>
<td><strong>Course Total</strong></td>
<td><strong>500</strong></td>
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</tbody>
</table>

Course Grade Scale

<table>
<thead>
<tr>
<th>Grade</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>94-100 – Superior</td>
</tr>
<tr>
<td>A-</td>
<td>90-93 – Great work</td>
</tr>
<tr>
<td>B+</td>
<td>87-89 – Good work</td>
</tr>
<tr>
<td>B</td>
<td>83-86 - Below good work</td>
</tr>
<tr>
<td>B-</td>
<td>80-82 - Below good work</td>
</tr>
<tr>
<td>C+</td>
<td>77-79 - Considerable weaknesses</td>
</tr>
<tr>
<td>C</td>
<td>73-76 – Acceptable</td>
</tr>
<tr>
<td>C-</td>
<td>70-72 – Weak work</td>
</tr>
<tr>
<td>D+</td>
<td>67-69 – Significant concerns</td>
</tr>
<tr>
<td>D</td>
<td>63-66 – Barely Acceptable Passing</td>
</tr>
<tr>
<td>D-</td>
<td>60-62 - Near failure</td>
</tr>
<tr>
<td>F</td>
<td>Failure - Below 60</td>
</tr>
</tbody>
</table>

Use of Electronic Devices

The use of all electronic devices, including cell phones and laptop computers, pads and pods is expressly forbidden in the classroom during lectures and class discussions. Texting, receiving or sending messages, cell phone use, or the use of laptop computers during these times will result in immediate dismissal from the lecture with an absence recorded. Students must keep these devices turned off and out of sight during class. It is a violation of this policy to keep such devices on your lap. Of course the use of these devices during team meetings in class to prepare cases or assignments is not prohibited.

Reasonable Accommodation Policy:
Any student in this course who has a disability that may prevent him or her from fully demonstrating his or her abilities should the Center for Disability Services/SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying me as soon as possible and for contacting me at least 48 hours before accommodation is needed.

Center for Student Learning:

I encourage you to utilize the Center for Student Learning’s (CSL) academic support services for assistance in study strategies and course content. They offer tutoring, supplemental instruction, study skills appointments, and workshops. Students of all abilities have services available to you at no additional cost. For more information please visit CSL website at http://csl.cofc.edu or call (843)953-5635. In addition, you should consider using the College Skills Writing Lab and Speaking/Presentation Lab located in the CSL. Trained writing consultants can help with writing for all courses; they offer one-to-one consultations that address everything from brainstorming to developing ideas to crafting strong sentences and documenting sources. For more information visit http://csl.cofc.edu/labs/writing.

Honor Code:

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REAL 376 Real Estate Market Analysis
Spring 2017 Course Outline

Target Schedule: This is an interactive course with a strong tie to the industry. Please see the list below for guest speakers. This list is subject to change since these real estate professionals are extremely busy and sometimes have to cancel at the last minute. In addition, there may be a few field trips or other industry networking opportunities that may arise and be beneficial for applying the material being discussed in the course. Therefore, the course schedule may be rearranged to accommodate these opportunities. The midterm exams will hopefully be firm but it may also need to change if an extraordinary opportunity presents itself.

1/12
A. Introduction to Course

1/17-19
A. Stephen Rushmore, HVS, Market Analysis of Hotel Properties
B. Introduction to the Five Attributes to Understanding Real Estate
   Materials posted on Oaks and distributed in class for this week

1/24-26
A. Introduction of the Five Attributes to Understanding Real Estate (Continues)
B. Dan Henderson, Henderson Commercial, Real Estate Broker/Investor/Developer Ch 1 & 2
   Understanding Real Estate Analysis and Approaches to Market Studies form a Broker’s Persepthe

1/31-2/2
A. Analyzing Supply and Demand
B. Five Attribute Presentations Ch 3

2/7-9
A. Team Meetings with Real Estate Professionals
B. CoStar Presentation on Commercial Real Estate Data: Brandon Szmidt, Account Executive, Costar Group

2/14-16
A. Team Meetings with Real Estate Professionals
B. Christa Poporad: Librabry Resouces and Other Research Tools

2/21-23
A. Residential Real Estate Ch. 4
B. Alan Donald and Meghan Bowers, Brokers and Sales Associate, Keller Williams

2/28-3/2
A. Ted Fiening, CEO and President of Harvard Square Capital, Developer and Investor
B. Exam 1

3/7-3/9
Spring Break

3/14-16
A. Retail Ch. 5
B. DJ Van Slambrook, Development Associate, The Beach Company, Multifamily Guest Speaker

3/21-23
A. Office
B. Mike Palmer and Peter Fennelley, Colliers International, Office Market Guest Speaker Ch 6

3/28-30
A. Industrial Ch 6
B. Mike Ferrer, RockCreek Group, President and CEO. Borker in Industrial

4/4-6
A. Field Research for Final Projects
B. Field Research for Final Projects

4/11-13
A. Hotels/Resorts and Second Home Resort Development Ch 7
B. Diana Pernar, Pernar Associates, President and CEO, Second Home/Retirement Market Guest Speaker

4/18-20
A. Norm Brody, Director of Commercial Development, Westrock Development, Mixed Use/Master Planned
   Communities Guest Speaker Ch 8
B. Exam 2

4/25-27
A. Lab Day for Final Projects
B. Lab Day for Final Projects

5/2
Final Exam 4-7:00 Project Presentation Competition
REAL 410-001
REAL ESTATE FINANCE
Spring 2017

Professor: Chris Cain, J.D., Ph.D, CFA
Office: J.C. Long 308
Office Hours: M&W 1:00-3:00 PM, T 1:00-3:00 PM, Or by appointment
Phone: 843-953-1063
Email: caincl@cofc.edu (preferred contact method)

Course Description:

The College of Charleston Undergraduate Course Catalog describes this course as a course that “presents the fundamental concepts of real estate finance. The course provides a framework for understanding the flow of funds into the various real estate markets and how lenders assess risks and price their loans. The course will provide students with practical knowledge to make more informed career choices and an understanding of the institutions and instruments used to finance residential and commercial real estate.”

Essentially, this class is the study of the institutions of real estate finance, factors affecting the flow of funds, underwriting analysis, and the ultimate investment outlet for many of the financing products studied. Real estate basics will be briefly reviewed. The main focus will be on the legal, economic, institutional, quantitative, and strategic elements of the real estate financing process for both residential and commercial properties.

Course Learning Objectives:

At the conclusion of the semester, students will be able to value a wide variety of mortgage instruments and make financing decisions based on those calculations. They will also understand the legal and institutional framework of primary and secondary mortgage markets in the United States, with a particular focus on valuing secondary mortgage market securities. Students will be able to determine the feasibility of proposed real estate projects and/or investments, and they will be knowledgeable of the operating environment of real estate investment trusts.
Relationship to School of Business and Economics Learning Goals:

*Communication Skills* – The course requires a 12 – 15 page term paper, described below, which is graded quite stringently for composition as well as content.

*Global and Civic Responsibility* – The secondary mortgage market securities discussed in the latter third of the course are some of the most actively traded securities in the world. A thorough understanding of these financial instruments requires an understanding of the currency risk inherent in trading in something other than one’s home currency. Recent events, including ethical lapses, in the mortgage markets will be discussed along with their costs to society.

*Quantitative Fluency* – The course requires intensive calculations from the individual borrower’s perspective, the lender’s perspective, the mortgage pooler’s perspective, and the pool investor’s perspective. Problem solving ability is honed extensively.

Course Prerequisites:

According to the College of Charleston Undergraduate Course Catalog, the prerequisites for this course include junior standing and successful completion of ACCT 203, ACCT 204, ECON 200, ECON 201, FINC 303, REAL 310, MATH 104 or MATH 250, or permission of the instructor.

Text:


Calculator:

This class requires extensive use of a financial calculator. In class, I use the Texas Instruments BA II Plus Financial Analyst to work problems. You may use any financial calculator you wish, but I will support the TI BA II Plus in class.
Supplementary Texts:
State of South Carolina License Law, Rules and Regulations by the South Carolina Real Estate Commission.

Barron’s Real Estate Handbook, 5th ed. J.C. Harris and J.P. Friedman, editors, Barron’s.


Income Property Valuation, J.D. Fisher and R.S. Martin, Dearborn.


Real Estate Finance, P.T. Kolbe, G.E. Greer, and H.G. Rudner, III, Dearborn Real Estate Education.

Additional Resources:
1. I will sometimes make important course materials available to you on the internet via OAKS. Examples of such materials would include the course syllabus, chapter outlines, copies of notes that I use in class, and old exams. Please check regularly for the most recent additions.

2. The Center for Student Learning at the Addlestone Library (843-953-5635) offers a wide variety of assistance to students. Even though REAL 410 is not a course normally covered by their regular tutors, you can still get tutoring assistance for this class by making a request online at www.coec.edu/~csl. They also offer numerous study skills seminars on such topics as time management, note taking, and test taking. Finally, if you are thinking about graduate school, they offer several study groups for various graduate school entrance exams.

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Grading:
Three exams will be given. The two midterm exams each account for 25% of your final grade. The final is non-comprehensive and will also account for 25% of your final grade. Exams are a mixture of short answer, problem solving, and essay. A paper related to the material we cover will be due Monday, April 24, 2017 and will make up 15% of your grade (see the Paper section below for further detail). Finally, homework will be assigned periodically. Some will be collected; some will not. The homework is primarily geared toward increasing your proficiency with Microsoft Excel. The assignments that are collected will determine the remaining 10% of your grade.

The dates of the exams are tentatively as follows:
Midterm 1                     Wednesday, February 15
Midterm 2                     Wednesday, March 22
Final Exam                    As listed on Final Exam Schedule

CHECK THE FINAL EXAM SCHEDULE NOW! In the past I have tried to accommodate students on final exam times, but my classes are usually very full. That either means that I have people sitting in classes with no seats, or I am scheduling multiple exam times for several different people. Such scheduling quickly becomes unworkable, as once an exception is given for one person it is becomes difficult to deny another. Therefore, I am planning to closely follow the final exam schedule this semester. Book your flights, weddings, vacations, etc. accordingly.

Paper:
The paper will be related to your homework assignments. Both the homework assignments and the paper will be group projects. Over the first few weeks of class, I encourage you to create your own group of between 3-5 people. After the first few weeks, I will help coordinate group assignments for anyone still not in a group. There are people from a variety of backgrounds in this class, I encourage you to mix up your skillsets so there are people with excel skills and people with writing skills in each group.

Over the course of the semester, we will build spreadsheets to answer Real Estate Finance questions. The paper will use those assignments, and perhaps a few additions, to answer a larger hypothetical problem. The purpose of the paper is twofold. The first reason is to give you an opportunity to work on your writing skills. Employers consistently state that they need employees who can communicate effectively in writing. By basing this paper on a hypothetical example, instead of having you write a research paper, I hope to help you practice a type of writing you may be asked to perform on the job. The second reason is to give you an opportunity to deal with a confusing or muddled problem. The assignment will probably be a little vague or even contradictory. That’s how the real world usually works. You will probably have to cover multiple possibilities in your discussion. That’s also how the real world usually works. By their nature, tests problems usually have to be clear cut, with definite answers. This assignment will probably not work that way, and that is intentional.

More details will follow later in the semester, but it should be noted that the final project is a paper, which will require a written document at the end, not just excel spreadsheets. Failure to include an actual written document will negatively impact your grade on this assignment.
Make-Up Policy:
Exams are given in class, so time conflicts should not occur. If extenuating circumstances cause you to miss an exam, then you must contact the professor or the Department of Economics and Finance secretarial staff (843-953-8100) by 4:30 p.m. the day following the exam, including weekends. If no contact is made, then your exam grade is a zero and cannot be made up. If you make contact, and the extenuating circumstances you describe are deemed valid, then you will be allowed to take a comprehensive make-up during the regularly scheduled final exam time that will count as both the missed exam and the final exam. If you miss the final, and make contact as required above, then you will be allowed to take a comprehensive make-up at a time to be determined, assuming a valid excuse is present.

Letter grades, with associated +'s or −'s, will be assigned according to the following scale.

<table>
<thead>
<tr>
<th>% Average</th>
<th>Letter</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-100</td>
<td>A</td>
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<tr>
<td>88-89.99</td>
<td>A-</td>
<td></td>
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<tr>
<td>86-87.99</td>
<td>B+</td>
<td></td>
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<tr>
<td>83-85.99</td>
<td>B</td>
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<tr>
<td>80-82.99</td>
<td>B-</td>
<td></td>
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<tr>
<td>76-79.99</td>
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<td>72-75.99</td>
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<tr>
<td>60-61.99</td>
<td>D-</td>
<td></td>
</tr>
<tr>
<td>59.99 and below</td>
<td>F</td>
<td></td>
</tr>
</tbody>
</table>

Other Policies:
1. Attendance at regular class meetings is strongly encouraged, but is not required. However, please bear in mind that attendance has been shown to correlate strongly with performance on assignments.
2. If you must come in late or leave early, please do so quickly and quietly.
3. To appeal your grade on an exam, write down the reason you feel you deserve more points on a particular question and turn in your reason, along with the exam, to the professor within one calendar week of the exam being returned to you. Appeals made after the one-week deadline (e.g. at the end of the semester) will not be considered.
4. Cell phones, pagers, and digital music equipment are to be turned off and put away before class, especially during exams. It is disruptive to the professor and to the rest of the class to have a phone suddenly ring.
5. You may not use a cell phone or a PDA as a calculator on exams.
6. I do not send out grades of any variety via e-mail, so do not ask me to send you your score on a test or your final grade in the class. I cannot.

7. The last day to normally drop this course is the close of business, usually 4:30 P.M., on Thursday, March 23, 2017. Any student withdrawing by this date will receive a “W” on the transcript. To drop the course before this date, you may either use Cougar Trail or submit the required paperwork to the Registrar’s Office in 281 Lightsey Center (843-953-5668). After the deadline, students normally are not permitted to drop a course. Students with extenuating circumstances may present a written petition to drop this course to the Director of Undergraduate Academic Services in 206 Randolph Hall (843-953-5674). Petitions to the Director must be accompanied by significant supporting documents to verify the circumstances cited in the petition. Students must be aware that claims cited in the petition will be verified BEFORE completion of the drop is permitted. Generally, the drop will only be granted if continuing in the course would be detrimental to the student’s health or if the extenuating circumstances prevent the student’s continued enrollment. Poor academic performance is not sufficient justification to drop any course and the professor must approve the drop.

**Academic Honor Code Statement:**
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the professor determines the student’s actions are clearly related more to a misunderstanding will be handled by the professor. A written explanation designed to help prevent the student from repeating the error in the future will be given to the student by his or her professor. The explanation, submitted by form and signed by both the professor and the student will be forwarded to the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the professor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years, after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal), or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration – working together without permission – is a form of cheating. Unless the professor specifies that students can work together on an assignment and/or test, no collaboration is permitted. Other forms of cheating included possessing or using an unauthorized study aid (such as a PDA), copying from others’ exams, fabricating data, and giving unauthorized assistance.

Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the professor.
Students can find the complete Honor Code and all related processes in the Student Handbook at http://www.cofc.edu/studentaffairs/general_info/studenthandbook.html.

**Equal Education Opportunity:**
- The College of Charleston abides by Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act that stipulates no students shall be denied access to an education “solely by reason of a handicap.” Disabilities covered by law include, but are not limited to, learning disabilities and hearing, sight, or mobility impairments. Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsibility for notifying me as soon as possible and for contacting me one week before accommodation is needed.

The College of Charleston and this professor are committed to equal opportunity in education and do not discriminate on the basis of race, color, religion, national origin, sex, age, or against qualified handicapped persons, disabled veterans, or veterans of the Vietnam era, as identified and defined by law.

**Topic Outline and Reading Assignments**

<table>
<thead>
<tr>
<th>Subject</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate and Mortgage Basics</td>
<td>Ch 1-4, Outside Material</td>
</tr>
<tr>
<td>Mortgage Financing</td>
<td>Ch. 5,6,10,11</td>
</tr>
<tr>
<td>Getting a Mortgage</td>
<td>Ch. 7-9, 12, part of 14</td>
</tr>
<tr>
<td>Closing</td>
<td>Ch. 13</td>
</tr>
<tr>
<td>Commercial Financing</td>
<td>Ch. 15-20</td>
</tr>
<tr>
<td>Mortgage Backed Securities</td>
<td></td>
</tr>
<tr>
<td>Other topics as time allows</td>
<td></td>
</tr>
</tbody>
</table>
College of Charleston

REAL 390 Real Estate Valuation Analysis (3 credits).

Dr. XXXX

Office Hours

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)

Course Objectives. By the end of the course the student will be able to:

- Articulate the basic concepts and language of real estate valuation.
- Explain the appraisal process and how it fits in to the real estate market place.
- Complete a narrative appraisal of a real estate investment in the Charleston region.
- Sharpen leadership and teamwork skills in order to get a project completed during the term.
- Sharpen oral and written communication skills.
- Apply the ARGUS Enterprise software package and additional market databases common to the real estate industry as tools for valuation of an investment property.

SB Learning Goals. This course directly addresses the Learning Goals established by the School of Business:

QUANTITATIVE FLUENCY: Student will be doing valuation of income producing properties so students will be studying the cash flows from the property as well as the market conditions. The course requires extensive aptitude in comprehending and implementing strategies to solve practical quantitative analysis to determine what a given piece of property is worth at a given point in time.

COMMUNICATION SKILLS: Students will be required to write a narrative valuation report to defend the assumptions they are making in their analysis. In addition, they will be making a final presentation to the class, mentors and a panel of judges.

SYNTHESIS: Concepts from accounting, economics, law, markets and statistics will be applied throughout the course to understand the valuation process and to complete their valuation assignment. The ability to synthesize information from these disciplines and others is essential.

Course Materials

- Appraisal of Real Estate, 14th edition, 2013. A financial calculator is required for this class. It will be needed for problems sets and exams. Access to Oaks and Microsoft office products.
- ARGUS Enterprise Manual, Practice Exam and Case Studies: Will be provided in class.
- Oaks Postings: We will also be posting relevant materials from our guest speakers on blackboard.

Coursework

Problem Sets: Four problem sets will be assigned during the semester. They are designed to increase the student's understanding of real estate markets and the valuation process. Assignments are due at the beginning of class on the date assigned. No late assignments without prior approval. Late assignments will lose 50% of the points if turned in after the due date of the problem set. Lack of organization is not an excuse for handing in a problem set late.

This form was last updated on 6/6/2013 and replaces all others.
Appraisal: There will be an actual appraisal assignment that will also be assigned during the semester. The class will be divided into small groups of 3-4 students and each group will be given an industry sponsor from the Charleston real estate community. Each group will be responsible for completing an appraisal of a property provided by the industry sponsor. In addition, each group will complete a presentation at the end of the course on their valuation process and their estimate of market value.

Problem sets and the appraisal assignment will be graded for clear and organized presentation, as well as the use of the correct methodology in obtaining the answer. All work should be shown as partial credit may be given. Students may work together in discussing an approach to problem sets, but each student is responsible for his/her own solution set (no photocopies).

Quizzes: To encourage attendance and continued attention in class, there will be six random quizzes given throughout the semester. The lowest grade will be dropped for your overall grade. These quizzes will be based on the material covered in the book and in class the period before the quiz.

Current Events: To keep abreast of current events in the real estate industry, teams of two students will make a 5-minute presentation and lead a 5-minute discussion on a recent article found in either the local, regional, or national press. Part of the grade will be based on the ability of the student to engage the class in meaningful discussion. A handout will be provided on what is expected of the student presentations.

Exams: There will be two in-class exams that will consist of the following format: multiple choice, short answer, essay, and problem solving. Exams cover lectures, readings and problem set materials (unfortunately that means everything) but they are not deliberately cumulative. That is, specific questions will not be taken from earlier chapters. However, the course material is inherently cumulative so that if you do not understand earlier chapters you will find it difficult to follow later ones.

Grading Allocation

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Problem Sets (30 points each)</td>
<td>120</td>
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</tr>
<tr>
<td>Sections of Appraisal (30 points each)</td>
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<td>13%</td>
</tr>
<tr>
<td>Problem Defined/Property Description/ Neighborhood Analysis</td>
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<td></td>
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<tr>
<td>Market Analysis/Sales Comp Approach and Cost Approach</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income Approach</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reconciliation/Final Report</td>
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<td>15%</td>
</tr>
<tr>
<td>Appraisal Presentation</td>
<td>50</td>
<td>8%</td>
</tr>
<tr>
<td>Quizzes (10 points each)</td>
<td>50</td>
<td>8%</td>
</tr>
<tr>
<td>Current Events</td>
<td>50</td>
<td>8%</td>
</tr>
<tr>
<td>Exams</td>
<td>200</td>
<td>30%</td>
</tr>
<tr>
<td>Total</td>
<td>660</td>
<td>100</td>
</tr>
</tbody>
</table>

Complaints on the grading of assignments must be made in writing within 5 business days after graded papers have been returned to the students.

Other

Use of College of Charleston email addresses. We will use the internet extensively to communicate with students. Each of you has been assigned a College of Charleston user id/e-mail and Oaks uses that user id/e-mail to create the class listserv; we will be using that id/e-mail for communications. If you want to use a different email address, it is your responsibility to have the mail forwarded to it.

This form was last updated on 6/6/2013 and replaces all others.
**Class Participation:** The actual number of points that you receive will depend upon your attendance and the answers to the following questions:

- Punctuality: Was the student punctual and ready to go at the start of every class?
- Attitude: Did the student always have an upbeat, positive attitude?
- Class Participation: Did the student contribute to class discussions in a positive and thoughtful manner?
- Preparation: Did the student prepare for the class beforehand by reading the text and doing the assignment; did the student come to class with questions about the assignment?

**Classroom Etiquette:** In addition to the above there are a few basic classroom behaviors that are expected and if they are not followed will also result in a lower participation grade.

- Be a good listener and an attentive class member. Ask questions and answer questions when they are posed to you by the instructor or presenter. The classroom will be much more enjoyable if everyone is engaged.
- Please silence all cell phones during classes, meetings and guest speaker events. They should only be on when absolutely necessary for an emergency.
- Laptops in the classroom are mandatory. Everyone needs to have a laptop to be able to work on assignments during the class sessions. Checking e-mail and/or non-related internet sites during class is prohibited and will result in a reduction of your grade.

**Class Attendance:** Finally, students are expected to attend every class. Important material is covered and it is a chance to work with the instructors to learn and practice the software packages. Thus, the attendance policy for this class will be:

- First absence = free
- Second absence = 2 point deduction
- Third absence = 4 point deduction
- Fourth absence = 6 point deduction

These points are cumulative so four absences means 12 points out of 100 are gone. So, be sure to attend class. Please inform the instructors if you will miss a class. The only excused absences are bona fide medical excuses covered by a doctor's certificate, personal emergencies cleared with the instructors, and official College of Charleston business.

**Additional Course Information**

**Reasonable Accommodation Policy:**

Any student in this course who has a disability that may prevent him or her from fully demonstrating his or her abilities should the Center for Disability Services/SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsibility for notifying me as soon as possible and for contacting me at least 48 hours before accommodation is needed.

**Center for Student Learning:**

I encourage you to utilize the Center for Student Learning’s (CSL) academic support services for assistance in study strategies and course content. They offer tutoring, supplemental instruction, study skills appointments, and workshops. Students of all abilities have become more successful using these programs throughout their academic career and the services are available to you at no additional cost. For more information please visit CSL website at [http://csl.cofc.edu](http://csl.cofc.edu) or call (843)953-5635.

**Honor Code:**

This form was last updated on 6/6/2013 and replaces all others.
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the instructor determines the student’s actions are related more to a misunderstanding will handled by the instructor. A written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, submitted by form and signed both by the instructor and the student, will be forwarded to the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration—working together without permission—is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance. See the Student Handbook at http://studentaffairs.cofc.edu/honor-system/studenthandbook/index.php

Syllabus Subject to Change

Given the dynamic nature of the real estate markets and the varied backgrounds of students in this class, the syllabus may need to be modified during the term. Please be sure to attend class and check with a classmate if you do have to miss class for any announcements that may have been made.
### Topics Covered

<table>
<thead>
<tr>
<th>Topic</th>
<th>Readings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overview of Course and the Appraisal Process</td>
<td>Ch 1</td>
</tr>
<tr>
<td>What's in an Appraisal, Uses of Appraisals</td>
<td></td>
</tr>
<tr>
<td><strong>Price and Value</strong></td>
<td></td>
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<tr>
<td>Property Analysis: Location</td>
<td>Ch 2</td>
</tr>
<tr>
<td>Property Specific Characteristics</td>
<td></td>
</tr>
<tr>
<td>Expected Use Analysis</td>
<td>Ch 3</td>
</tr>
<tr>
<td>Sales Comparison Approach</td>
<td></td>
</tr>
<tr>
<td>Site Valuation</td>
<td>Ch 4</td>
</tr>
<tr>
<td>Cost Approach</td>
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<tr>
<td><strong>Estimating Net Operating Income</strong></td>
<td></td>
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<tr>
<td><strong>Income Approach Using Multipliers and Direct Cap Rates</strong></td>
<td>Ch 5</td>
</tr>
<tr>
<td><strong>The Reconciling Process</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Review of Financial Concepts</strong></td>
<td>Ch 6 and 7</td>
</tr>
<tr>
<td><strong>Income Approach Using a DCF</strong></td>
<td></td>
</tr>
<tr>
<td><strong>The Discount Rate</strong></td>
<td>Ch 9</td>
</tr>
<tr>
<td><strong>Residual Models and Relationship Among the Income Approach Models</strong></td>
<td>Ch 10, 11 and 12</td>
</tr>
<tr>
<td>An Introduction to Realm/ARGUS: A Lease-by-Lease Analysis Program</td>
<td>Ch 13</td>
</tr>
<tr>
<td>Partial Interests</td>
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<tr>
<td>Investment Analysis</td>
<td>Ch 14 and 15</td>
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<tr>
<td>Ethics and Standards of Professional Practice</td>
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<td></td>
<td>Ch 15</td>
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<td>Ch 16</td>
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<td>Ch 17</td>
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<td>Ch 25</td>
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<tr>
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<td>Ch 26</td>
</tr>
</tbody>
</table>
College of Charleston
REAL 490: Real Estate Feasibility Analysis

Dr. Elaine Worzala
Professor and Executive Director
worzalem@cofc.edu

Office Hours in Rm 203 Beatty

Course Description: 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: DSCI 304, REAL 310, REAL 376, REAL 390, can be taken concurrently with REAL 410).

Course Objectives:
1) Develop analytical skills specific to the type of real estate assigned to each team.
2) Strengthen general competencies including critical thinking skills, interpersonal communication skills, quantitative skills, computer skills, leadership and teamwork skills, written and oral communication skills, and time management skills.
3) Gain exposure to several different kinds of real estate challenges. The unique attributes of alternative real estate assets will be explored with readings and guest lectures and will depend on the projects that are provided for this term.

Course Materials
Selected Readings that will be Posted to Oaks from Graaskamp on Real Estate and other sources

SB Learning Goals
This course directly addresses the Learning Goals established by the School of Business:
COMMUNICATION SKILLS: Objective: Students will demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner.
Implementation: The course project includes both a written report as well as a presentation.
Demonstration of Achievement: Part of the grade for both the final report and the presentation will include points awarded for quality of the communication, either written or verbal. We will also have a panel of judges review their presentations and rate the students ability to communicate effectively.

QUANTITATIVE FLUENCY: Objective: Students will demonstrate competency in logical reasoning and data analysis skills as every project will have a valuation/feasibility analysis as part of the assignment.
Implementation: Depending on the project, students may employ Excel, ARGUS or some other analytical tool to arrive at and defend their conclusions.
Demonstration of Achievement: Part of the grade for both the final report and the presentation will include points awarded for quality of the financial analysis as well as the conclusions on valuation of the feasibility of the final project.

SYNTHESIS: Objective: Students demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks.
Implementation: The course and final project are designed so that the students will demonstrate their ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings.

This form was last updated on 6/6/2013 and replaces all others.
Demonstration of Achievement: To complete the analysis for the project, students will have to pull concepts from all of their real estate and real estate related courses. A portion of the final project grade will be allocated to how well the students have defended the assumptions that have gone into the analysis and made their conclusions and recommendations.

Grading Allocation

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement of Work</td>
<td>50</td>
</tr>
<tr>
<td>Work Breakdown Structure</td>
<td>50</td>
</tr>
<tr>
<td>Draft Report</td>
<td>100</td>
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<tr>
<td>Final Report</td>
<td>200</td>
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<tr>
<td>Client Presentations</td>
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<tr>
<td>Peer Evaluation</td>
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<td>Class Participation</td>
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<td><strong>Total</strong></td>
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</tbody>
</table>

Complaints on the grading of assignments must be made in writing and given to me within 5 business days after graded papers have been returned to the students.

Final course grades will be determined as follows (percentages):

- 98-100 = A+
- 92-97.9 = A
- 82-87.9 = B+
- 80-81.9 = B
- 72-77.9 = C+
- 70-71.9 = C

Class Projects

Statement of Work: Starting with the project description provided at the orientation, each team will draft a statement of work that further delineates the scope of the development/consulting/valuation project and the deliverables expected to be provided to the client. You may contact the client by email (only one contact person per team, please) to ask questions about the project description you received at the beginning of class. This Statement of Work will be given to the client at your first meeting. It will be used as a basis for confirming with the client the nature and scope of the project and will serve as an informal "contract" for the work you will undertake. What can you realistically expect to provide the client? The scope should be challenging, but attainable. Modifications may be necessary based on the first meeting with the client.

Work Breakdown Structure: Each team will develop a Work Breakdown Structure (WBS) for the project. The WBS will define the components of work that will result in the final deliverables. It will serve as the basis for scheduling tasks as well as assigning responsibility for work. The Work Breakdown Structure is the first cut of how you plan the work to be laid out and accomplished. It is important to realize that there will probably be changes to your game plan. Be prepared to adjust as that is part of research and consulting. However, having a plan of the work approach will facilitate making adjustments.

Draft Written Report and Final Written Report: Details for this project will be handed out in class. Each team will complete a draft report that the instructor will comment on for both content but also readability. The draft report should be turned in electronically and written in word. Please send to worzalaem@cofc.edu. Please note that this should be a polished draft report. That is, it should be your very best effort. If it is done well it may not need a significant amount of revision. The final project report will be turned in as a hard copy with an additional copy given to the client.

Formal Report Presentation: Formal presentations to the client will be made at the end of the term. Dates will be announced as we get towards the end of the term and will depend somewhat on the availability of the industry sponsors and panel judges.

This form was last updated on 6/6/2013 and replaces all others.
Peer Evaluation: Each student will receive a peer rating from his or her teammates. People are not identical in abilities, performance, commitment, or interest. Distinctions regarding team members' contributions, dependability, quality of work, etc. will be required on your part. Therefore, it is important that you document your experiences so that you will have a valid basis for rating your teammates within the guidelines provided. Peer evaluations will be anonymous and done at the end of the term.

Instructor's Project Evaluation: The instructor's evaluation of the project will be based on the quality of the various project deliverables as well as on personal observations regarding individuals' participation and team effectiveness. Weekly “debriefings” will serve as the primary basis for evaluating participation and team effectiveness. Written deliverables will be evaluated on the basis of the content as well as the quality of written communication. Presentations will be evaluated on the basis of content as well as the professionalism and clarity of the presentation.

Class Participation: The actual number of points that you receive will depend upon your attendance and the following factors:

- Punctuality: Was the student punctual and ready to go at the start of every class?
- Attitude: Did the student always have an upbeat, positive attitude?
- Class Participation: Did the student contribute to class discussions in a positive and thoughtful manner?
- Preparation: Did the student prepare for the class beforehand by reading the text?
- Guest Speakers: Did the student take notes and ask interesting questions to our guest speakers?

Additional Course Information

Reasonable Accommodation Policy:

Any student in this course who has a disability that may prevent him or her from fully demonstrating his or her abilities should contact the Center for Disability Services/SNAP, located on the first floor of the Lightsy Center, Suite 104. Students approved for accommodations are responsible for notifying me as soon as possible and for contacting me at least 48 hours before accommodation is needed.

Center for Student Learning:

I encourage you to utilize the Center for Student Learning’s (CSL) academic support services for assistance in study strategies and course content. They offer tutoring, supplemental instruction, study skills appointments, and workshops. Students of all abilities have become more successful using these programs throughout their academic career and the services are available to you at no additional cost. For more information please visit CSL website at http://csl.cofc.edu or call (843) 953-5635.

Honor Code:

Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the instructor determines the student’s actions are related more to a misunderstanding will handled by the instructor. A written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, submitted by form and signed both by the instructor and the student, will be forwarded to the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic
dishonesty. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration—working together without permission—is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance. See the Student Handbook at http://studentsaffairs.cofc.edu/honor-system/studenhandbook/index.php

Syllabus Subject to Change

Given the dynamic nature of the real estate markets and the varied backgrounds of students in this class, the syllabus may need to be modified during the term. Please be sure to attend class and check with a classmate if you do have to miss class for any announcements that may have been made.
Tentative Course Outline

Week 1: Introduction to the Course and the Projects

Week 2-3: Introduction to Feasibility Analysis and Framing the Problem (Graaskamp Readings, Novak Guide and Ch 1-5 of Harvard)

Week 4: Development Preliminaries and Project Constraints (Ch 5 of Harvard)

Week 5 and 6: Establishing Development/Project Constraints analyzing the five attributes (Ch 6 of Harvard)

Week 7: Data needed for Appraisal Analysis including Cost, Market and Income Approach (Ch 7 of Harvard)

Week 8: More Detailed financial analysis including DCF (Ch 8, 11 and 12 of Harvard)

Week 9: Review of Tools for Feasibility Analysis including Excel and ARGUS (Ch 11 and 12 of Harvard as well as ARGUS guide)

Week 10: Sensitivity Analysis and Conclusions (Ch 9 of Harvard)

Week 11-15: Studio Style class to complete projects. Polished Rough Draft will be due in Week 11 and final project will be due at the end of the term.

Final Exam Week: Final Project Presentations with Judges Panel

Topics and the schedule are subject to change. Guest speaker will also be brought in to cover some of the topics that will be covered in the class depending on the types of team projects
REAL ESTATE 380
REAL ESTATE INVESTMENT ANALYSIS
Spring 2017
William R. Hassett, Adjunct Professor
Office Hours: TR 8 - 9:15 a.m., Tate 305 (or by appointment)
Contact Information: hassettwt@cofc.edu
561-445-3035

COURSE DESCRIPTION:
The College of Charleston Undergraduate Course Catalog describes this course in the following manner: This course presents the fundamental concepts of real estate investment analysis. The course will provide a framework for making real estate investment decisions. Background topics include the legal foundation for real estate ownership, lease arrangements and alternative ownership structures. The course will focus on the development of a financial decision-making model that will incorporate cash flow forecasting and risk analysis.

COURSE OBJECTIVES:
REAL 380 is an advanced course focusing on real estate investment analysis and decision-making. By the end of the course the students will be very familiar with the discounted cash flow (DCF) models and other tools to evaluate real estate investment alternatives from the perspective of an equity investor with an additional emphasis on market analysis and financing. The students will be knowledgeable about the decision-making process involved with investment into many different types of real estate assets as well as the alternative types of real estate investors.

PREREQUISITES:
Junior Standing; ACCT 203, 204, FINC 303, ECON 200, 201 MATH 104 or 250 and REAL 310: or permission of the instructor.

REQUIRED RESOURCES:
Textbook/Cases:

Calculator:
This class will involve the use of a financial calculator. In class, I use the HP12C to work problems. You may use any financial calculator you wish, but I will support the HP12C in class. There is a high probability that your future finance and real estate classes will require the use of a financial calculator. You may not use a cell phone or computer as a calculator for any test or quiz.
Internet:
Each student will need access to a computer with internet capability and a printer for various assignments.

SCHOOL OF BUSINESS LEARNING GOALS
This course directly addresses the Learning Goals established by the School of Business:

COMMUNICATION SKILLS. Students will demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner; thus class participation is imperative.

QUANTITATIVE FLUENCY. Students will demonstrate competency in logical reasoning and data analysis skills. Measures of influencing factors on the real estate environment will be constantly monitored.

SYNTHESIS: Students will demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks. Specific attention will be paid to documents related to real estate transactions.

CLASS METHODOLOGY
Class lecture will include: a great deal of information based on the instructor’s experience and knowledge. In addition, class participation is important. Students are expected to be engaged and ask questions. The information in assigned text readings will enhance this classroom experience. Students are required to read the textbook assignments PRIOR to class so that a meaningful discussion can be held. This course is not designed as a monologue and student participation is expected and important.

ASSIGNMENT EXPECTATIONS
Following the School of Business learning goal of effective communications, all written work (including presentations) must be completed in professional style and follow basic principles of effective written communication. As any potential investor or employer would expect, all written work should be neat, well-organized, clearly written, and free from grammatical and/or typographical errors. In other words, grammar, spelling and formatting will count as part of the grade on all assignments (including presentations).

ATTENDANCE
You are towards the end of your business school careers, and you should begin to recognize that attendance is critical in the business community. Therefore, you are expected to attend class unless there is an exceptional excuse for the absence or unless you have an official excuse from the campus health services. It is not necessary to explain the reason for any class missed because it is automatically assumed that it is for a valid, legitimate reason. This policy includes class sessions from the first day of the semester. An attendance sheet will be distributed during each class which students are to sign. If a student falsely signs for another student’s attendance, both students will receive an F and will have the case forwarded to the administration for further disciplinary action.

Two (2) absences are allowed for any such exceptional purpose(s). There is a sliding scale of attendance points thereafter with a five point reduction in your final grade for each absence in excess of two. Six absences results in a final grade of F.

Remember:
1. You are granted only 2 absences whether it is excused or not excused.
2. Late arrival for class or use of PDA in class will be counted as an absence.
3. If you miss 6 classes you will receive a final grade of F. This policy is non-negotiable
USE of PDA DEVICES:
The use of all PDA devices, including cell phones and laptop computers, pads and pods is expressly prohibited in the classroom during lectures and class discussions. Texting, receiving or sending messages, cell phone use, or the use of laptop computers during these times will result in immediate dismissal from the lecture with an absence recorded. Students must keep these devices turned off and out of sight during class. It is a violation of this policy to keep such devices on your lap. Of course, the use of these devices during team meetings in class to prepare cases or assignments is not prohibited.

COURSEWORK
Misc Assignments: Assignments will be given during the course of the semester. These have been designed to increase your understanding of real estate analysis and decision-making. Late submittals will not be accepted unless prior arrangements have been made in advance of the due date. Assignments are graded for clear and organized presentation, as well as the correct methodology. All work should be shown as partial credit may be given. Students may work together, however, unless indicated otherwise, each student must turn in his/her own work.

Exams: There will be one in-class exams and one final given during exam week. They are not deliberately cumulative but the course necessarily builds on previous material so later exams will include concepts learned from earlier in the term.

Grading Policies

<table>
<thead>
<tr>
<th>% of final grade</th>
<th>Assignments</th>
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<tr>
<td></td>
<td>30</td>
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<td>Two Exams (15% and 30%)</td>
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<td>Class Participation</td>
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<td><strong>Total</strong></td>
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Disagreements with the grading on a particular assignment must be made in writing and turned in within one week after being returned.

GRADING SCALE:
Late assignments will NOT be accepted. Final course grades will be determined as follows (percentages of total possible points):

<table>
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<tr>
<th>Grade</th>
<th>92+</th>
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CLASS SCHEDULE:
Thursday, January 12, 2017 – First class
Tuesday, April 25, 2017 – Last class

THE HONOR CODE AT THE COLLEGE OF CHARLESTON SPECIFICALLY FORBIDS:
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved. Incidents where the instructor determines the student’s actions are related more to a misunderstanding will handled by the instructor. A written intervention designed to help prevent the
Student from repeating the error will be given to the student. The intervention, submitted by form and signed both by the instructor and the student, will be forwarded to the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board. Students should be aware that unauthorized collaboration—working together without permission—is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance.

Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the instructor. Students can find the complete Honor Code and all related processes in the Student Handbook at http://studentaffairs.cofc.edu/honor-system/studenthandbook/index.php

DISABILITY STATEMENT

- The College will make reasonable accommodations for persons with documented disabilities. Students should apply at the Center for Disability Services located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying the instructor as soon as possible, at least one week prior to needing the accommodation.

- If there is a student in this class who has a documented disability and has been approved to receive accommodations through SNAP, please feel free to contact the instructor if any discussion is needed.

- The College of Charleston abides by section 504 of the Rehabilitation Act of 1973 that stipulates no student shall be denied the benefits of an education “solely by reason of a handicap.” Disabilities covered by law include, but are not limited to, learning disabilities and hearing, sight, or mobility impairments. If you have a documented disability that may have some impact on your work in this class and for which you may require accommodations, please contact the Center for Disability Services (953-1431) and then see the instructor so that such accommodation may be arranged.
REAL 360 The Panama Canal: Its Impact on Global Trade

INSTRUCTORS: Dr. Elaine Worzala
Executive Director, Carter Real Estate Center

TELEPHONE: 843-953-8121, 858-353-2067
EMAIL: worzalaem@cofc.edu
TRAVEL: June 4-11, 2016
TERM: Summer Session 1, June 3-July 2, 2016
OFFICE HOURS: By Appointment before and after the trip. 24/7 while in Panama City.

COURSE PREREQUISITES: FINC 303, junior standing

COURSE DESCRIPTION: With the Panama Canal Expansion project scheduled for completion in 2017, global trade will be profoundly impacted in the areas of global logistics, distribution and transportation as well as the real estate development and infrastructure. The study tour will include lectures by global experts as well as on-site visits. The week-long stay in Panama will include visits to the existing Canal and the construction site for the expansion as well as international companies that have located in Panama and new real estate developments that are a direct result of the increased trade due to the canal expansion. (3 credits).

COURSE LEARNING OBJECTIVES:

- To help students develop cross cultural understanding of living and working conditions in other parts of the world;
- To increase students’ understanding of the pivotal role played by the Panama Canal in facilitating global trade;
- To increase student understanding of the canal’s importance to Panama’s economy but in addition the world economy, including Charleston and South Carolina.

SBE LEARNING GOALS RELEVANT TO THIS COURSE:

- Communication Skills: Students will use both oral and written communication skills. They will each do an introduction of one of the speakers and the company/project that speaker is addressing. They will lead the discussion and are responsible for writing thank you notes. In addition, there is a final paper that will be partially graded on the quality of their writing and their ability to communicate in a professional manner
- Global and Civic Responsibility: Students will recognize and examine the global implications of the Panama expansion as well as its impact on business decisions as they relate to their respective disciplines.
- Synthesis: Students will demonstrate critical thinking skills in identifying and evaluating problems and opportunities in the business environment and apply analytical techniques to formulate creative solutions utilizing relevant discipline specific knowledge. This will be demonstrated in their final project where they are analyzing the Panama Canal from the “Executive of Their Choice” Perspective.
ACADEMIC INTEGRITY AND THE COLLEGE HONOR CODE: All students are expected to adhere to the College of Charleston Honor Code. Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the instructor determines the student’s actions are related more to a misunderstanding will handled by the instructor. A written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, will be forwarded to the Dean of Students and placed in the student’s file.

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Students should pay particular attention to the rules on plagiarism. Those found in violation of the honor code will receive an F in the course. All written work is to be turned in electronically to the Oaks website by 5:00 pm on the due date. Late assignments will not be accepted.

If there is a student in the class who has a documented disability and has been approved to receive accommodations through the Center for Disability Services / SNAP, please come see one of us as soon as possible so we can make arrangements to accommodate your needs.

GRADING POLICY and ASSIGNMENTS:

- Quiz on Movie and Readings 100 20%
- Professional Introductions and Thank You Follow-up 100 20%
- Daily Journal Sheets (20 points each) 100 20%
- Professional Paper 150 30%
- Behavior and participation 50 10%
GRADING SCALE:
Late assignments will NOT be accepted. Final course grades will be determined as follows (percentages of total possible points):

- 92+ = A  90-91.9 = A-
- 88-89.9 = B+  82-87.9 = B  80-81.9 = B-
- 78-79.9 = C+  72-77.9 = C  70-71.9 = C-
- 68-69.9 = D+  62-67.9 = D  60-61.9 = D-

Disagreements with the grading on a particular assignment must be made in writing and turned in one week after the assignment was returned.

Quiz on Readings (20%)
These quizzes are to be completed before you leave for Panama on June 4, 2016. They will be available on line at the Oaks site by May 25, 2014 and will include the presentation and movie that will be presented on April 20, 2016. If you cannot make this meeting we do have a few copies of the movie you can check out between now and when we all leave for Panama. The goal of this quiz is to ensure each student is academically and intellectually prepared for our visit to Panama. Quizzes must be completed by the first day “business day” of our class, Monday, June 5, 2016.

Professional Introductions, Q&A Facilitation, Gift Presentation, Thank You Cards (20%)
Each student will be responsible for the introduction, the Q&A session, gift presentation and thank you for one of the guest speaker/business visits. Assignments will be made once we have the final schedule and students will be responsible for researching the company we are visiting and introducing the speaker(s). The student will then begin the Q&A with his/her own questions and will wrap up the discussion by thanking the speaker and presenting them with a gift. Finally, the student will be responsible for writing a thank you note after our visit and to turn in a copy of the card. Thank you cards are to be completed July 18, 2016. One week after we return. Take a picture or make a PDF of the card BEFORE you send it and then upload this on to OAKS. Do not forget to get business cards so you know where to send the card.

Daily Journal Sheets (20%)
At the end of each day you will be provided with a daily journal sheet to record your experiences for the day. Entries will briefly describe the daily events, how they might have impacted your chosen “executive” for your final paper and how the activities relate to the learning objectives of the course. Journal sheets will be handed out and collected at the beginning of each day.

Professional Paper: Executive Perspective of the Panama Canal Expansion (30%)
Choose a field that you may go in to that incorporates the use of the Panama Canal. This can be any field you want but you are the executive and you are examining how the expansion of the Panama Canal will impact your business. Discuss the costs and benefits as well as the risks and rewards from the perspective of your chosen Executive position. You can be working for a logistics company, a major manufacturing corporation, a supplier, a real estate brokerage, investment, advisory or development company, or a financial institution. There will be a best paper award of $1000. This will be judged by business professionals familiar with logistics, real estate and the Panama Canal. The professors will choose the top three papers and our panel of judges will choose the winner. This paper is due at July 2, 2016.
Behavior and participation (10%)

This course is a travel study course where we will be visiting business and interacting with professionals in both the logistics and real estate industry. This trip requires pre-departure study and overseas field experience working with a wide range of people who have different educational, socio-economic, and cultural backgrounds. In order for an academic trip to be successful students must:

- be prepared to participate from 9:00 a.m. to 5:00 pm. each day. Treat this experience like a job. There may be a few days where we could go later in to the evening.
- present themselves in a professional manner at all times. Dress is business casual and we are expecting you to ask questions and participate in all tours in a meaningful way.
- be respectful of different cultures and norms.
- serve effectively as good will ambassadors of the School of Business, the College of Charleston and the United States.

In addition the following expectations will apply to this specific trip.

- Any action i.e.: fighting, criminal actions will result in the student departing the program immediately at their expense and will result in an honor board investigation. An “F” grade will be given.
- Drunkenness is not acceptable. Any student who cannot participate due to drunkenness or results of said behavior will be given a written warning that will be part of their permanent college record. If it occurs a second time, the student will be sent home at his/her own expense and the course grade will be an “F”.
- A midnight curfew will be enforced to make sure that students are able to meet the 9:00 a.m. meeting time each morning.

There is a substantial amount of your grade that is based on Participation. If you are professional and respectful you will not lose points. On the other hand, if you are rude and disrespectful to our host it can have a very negative impact on your grade. Please act responsibly and professionally.

ASSIGNMENT EXPECTATIONS

Following the School of Business learning goal of effective communications, all written work (including presentations) must be completed in professional style and follow basic principles of effective written communication. As any potential employer would expect, all written work should be neat, well-organized, clearly written, and free from grammatical and/or typographical errors. In other words, grammar, spelling and formatting will count as part of the grade on all assignments (including presentations).

USE OF ELECTRONIC DEVICES:
The use of all PDA devices, including cell phones and laptop computers, pads and pods is expressly forbidden during lectures, tours and class discussions. Texting, receiving or sending messages, cell phone use, or the use of laptop computers during these times will result in a poor participation grade. Students must keep these devices turned off and out of sight during class. It is a violation of this policy to keep such devices on your lap. Of course the use of these devices during team meetings in class to prepare cases or assignments is not prohibited.

CLASS SCHEDULE
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>April 20, 2016</td>
<td>Introduction to the Panama Canal, Logistics and Real Estate</td>
</tr>
<tr>
<td></td>
<td>4:00-4:10 Introductions/Course Syllabus</td>
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<tr>
<td></td>
<td>4:10-5:00 <em>A Man, A Plan, A Canal</em>, NOVA Public TV Production</td>
</tr>
<tr>
<td>June 4-11, 2016</td>
<td>Panama City Details Distributed upon arrival at the City of Knowledge.</td>
</tr>
<tr>
<td></td>
<td>Meetings organized for every week day of the trip. Typically from 9-5.</td>
</tr>
<tr>
<td></td>
<td>Daily Journal Sheets due every morning.</td>
</tr>
<tr>
<td>June 18, 2016</td>
<td>Thank you cards due in the Drop Box in Oaks</td>
</tr>
<tr>
<td>July 2, 2016</td>
<td>Final Projects Due</td>
</tr>
</tbody>
</table>
New Urbanism: Past History and It’s Impact on Future Development

REAL 420 Independent Study Spring 2017

Dr. Worzala; worzalaem@cofc.edu

Travel Component: Jacksonville, Seaside, Rosemary Beach, Alys Beach April 8-16, 2017

Course Description

This special independent study travel course will take students, all expenses paid, to northern Florida in order to study and document the history of the New Urbanism, an influential community planning movement starting in the late 1970s and continuing to the present day. The course will begin in Jacksonville’s central business district, where the theory and practice of late-twentieth century modernist urban renewal will be debated. It will then proceed to Seaside, the first New Urbanist community, where the aspirations, execution, and reception of new traditional urbanism will be critically analyzed. The ongoing evolution of the New Urbanism will be traced in neighboring Rosemary Beach and Alys Beach. Meanwhile, students will be dedicated to an intense documentation project, researching and drawing the Seaside Chapel, a crucial building in the past, present, and future of the community. This aspect of the trip will be the foundation of a future HABS survey. Time permitting, the students will also research and document other structures in the heart of what will, perhaps, one day be celebrated as historic downtown Seaside. After the trip is completed, students will be required to complete a research paper critically assessing the history of New Urbanism and its prospects as cultural heritage.

Readings

Several primary and secondary sources outlining the history and theory of the New Urbanism will be assigned before, during, and after the trip. These will be provided digitally, and will range from the founding Charter of the New Urbanism to the critical film The Truman Show.

Documentation Project

Students will be broken into two-person teams and assigned tasks that will result in HABS-standard documentation of at least one key piece of Seaside architecture. They will be required to conduct research in support of this task before leaving for Seaside. While on-site they will work for sustained periods documenting and drawing architecture, and should be prepared to wear comfortable clothing that provides protection from the sun. They must agree to heed professors’ instructions on everything from housing regulations to staying hydrated.

Research Paper

Students will each write individual critical research papers, at least eight pages in length, drawing upon course readings, research they conducted as part of the documentation assignment, and further research conducted independently. The Professors will provide a list of potential research topics for students to select from. Students will submit key research questions to the Professors via email no later than February 15, so that reading
recommendations can be offered to them. These papers should be critical, with a strong, coherent thesis statement that addresses, in one way or another, the idea of the New Urbanism as "heritage." How, for example, have the New Urbanists positioned their work in relation to the past practices of American urban planning? How have subsequent debates about the value and viability of traditional design unfolded? This paper should incorporate the student's experience of the site as well as the readings conducted.

Student Learning Outcomes

Course participants will be able to apply theoretical and practical knowledge to real world preservation efforts
Students will have empowering preservation documentation skills
Course participants will be able to produce Historica American Building Survey recording standards in both hand and CAD formats

Please ask if you have questions or comments during the semester. The Professor also reserves the right to make changes to the syllabus during the semester due to unforeseen circumstances.

Make Up Work Policies:
Given the nature of this course the expectation is that students will be able to meet all deadlines for completing reading and written assignments. In turn, only extraordinary or emergency circumstances will merit consideration for a deadline extension and will have to be evaluated by me on a case-by-case basis. Please contact me as soon as possible to explain any anticipated or missed deadlines.

Disability Access:
The College will make reasonable accommodations for persons with documented disabilities. Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying me as soon as possible and for contacting me one week before accommodation is needed. If there is a student in the class who has a documented disability and has been approved to receive accommodations through the Center for Disability Services / SNAP, please come and discuss this with me during my office hours. Any student eligible for and needing accommodations because of a disability is requested to speak with me during my office hours.

Center For Student Learning:
I encourage you to utilize the Center for Student Learning (CSL) academic support services for assistance in study strategies and course content. They offer tutoring, supplemental instruction, study skills appointments and workshops. Students of all abilities have become more successful using these programs throughout their academic career and the services are available to you at no additional cost. For more information regarding these services please visit the CSL website at http://csl.cofc.edu or call (843) 953-5635.
Honor Code:
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved. Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The F is permanent. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration—working together without permission— is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted.

Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance. Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the instructor. Students can find the complete Honor Code and all related processes in the Student Handbook at http://studentaffairs.cofc.edu/honor-system/studenthandbook/index.php.

I am particularly unimpressed with plagiarism. DO NOT COPY A SINGLE SENTENCE from a website or other source without a proper citation and an indication that you are quoting this information. Additional information can be found at http://www.plagiarism.org/.
This course is based on the internship students get. In many cases it can be firm related.

REAL 444
Real Estate Internship
Fall 2014.

Instructor: Dr. Elaine Worzala  
e-mail: worzalaem@cofo.edu
Office: Betsy 112  
phone: 953-8121

Office Hours: by appointment

Course prerequisites: Senior standing, a declared Business Administration Major with a concentration in Real Estate, or a minor in Real Estate, completed REAL 310, and at least a 2.0 GPA

Course Description and Objective: The purpose of academic credit internships is two-fold. Not only are you performing tasks for your experience provider and learning about the field in a “real world” setting, but also there is a component that requires intellectual study of the field. An internship is a supervised learning experience guided by your Learning Contract that requires reflection of the correlation between the theory you have studied in the classroom and practice and application of the theory in a professional environment.

To this end, there are certain academic requirements associated with the internship, and it is your responsibility to fulfill these requirements according to the deadlines established by the SB and your faculty coordinator. Simply performing well on the job will not guarantee you an “A” for the internship.

Please note that this is a self-directed course of study designed to help prepare you for the professional world.

You will not be reminded of assignment deadlines. It is your responsibility to abide by the dates set forth in this Syllabus. It is your responsibility to follow up with your experience provider to ensure your evaluations are submitted by deadline. It is your responsibility to plan ahead for the executive interview to ensure you meet the deadline. Executives are busy, so do not wait until the last minute, or he/she may not have time to see you. It is recommended that an appointment with them be set.

Your grade is based on the academic work you are submitting versus your work experience, so do not discount the importance of submitting your work in on time and presenting your work in a professional manner.
Through the successful completion of this internship, the student will address the following School of Business Learning Goals:

**Communication Skills:** Students demonstrate the ability, both written and spoken, to effectively present, critique, and defend ideas in a cogent, persuasive manner.

**Quantitative Fluency:** Students demonstrate competency in logical reasoning and data analysis skills.

**Global and Civic Responsibility:** Students able to identify and define social, ethical, environmental and economic challenges at local, national and international levels. Students also be able to integrate knowledge and skills in addressing these issues.

**Intellectual Innovation and Creativity:** Students demonstrate their resourcefulness and originality in addressing extemporaneous problems.

**Synthesis:** Students demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and off-campus settings in the completion of complex and comprehensive tasks.

**Email Policy:** Students will operate under the following email guidelines:

- Expect faculty/staff to respond to emails between 9 a.m. and 5 p.m., Monday through Friday with a 48 hour lag time.
- For any concerns about grades, meet with your professor face-to-face.
- Before sending questions via email, make sure that your question is not answered on the course syllabus or website.
- Be specific about the subject of the email in the mail subject heading and use proper spelling, grammar, and punctuation. Do not begin emails with "Hey."

**Required Hours:** All SB interns are required to adhere to the internship beginning and ending dates on their approved learning contract. A minimum of 120 hours of on-site work is required. Your final grade will be affected for early termination of your internship. Time spent on journal entries, etc. does not count towards the 120 hours. Ideally, you will spend a minimum of 12 weeks on-site (8 weeks during the summer) and work at least 10 – 12 hours per week (15 hours in the summer) with your experience provider. You may not work three 40-hour weeks. The purpose of spreading the internship over a semester is to give you an idea of the work flow in the field. End-of-year tasks, for example, are often quite different from the work you will be doing at the beginning of the semester.
Completion of the following assignments is the basis for earning grade and college credit:

1. **Weekly journal:** Students are required to keep a weekly journal identifying course concepts as applied in the workplace. The journal must be typed and double-spaced. It is to be submitted electronically by midnight on Mondays (beginning September 1st) using the OAKS drop-box set up for the course. Late entries will receive a 5-point deduction. An entry submitted after Wednesday the week it is due will be given a “zero.”

The format for the journals is as follows:

- **Name:**
- **Experience provider:**
- **Name of experience provider supervisor:**
- **Week of:**
- **Hours worked for the week:**
- **Hours worked to date:**

**Weekly journal entry should include:**

- What tasks you performed for the week with results
- Workplace observations – any thoughts on how things could/should run or how situations could have been handled differently
- Workplace activity (what is going on in the office)
- Reactions to events taking place in the office
- How classroom concepts are applied in the work environment
- What you are learning from the experience

**Important note:** Please submit your journals comprehensively with the most recent week’s entry as the first entry in the document, followed by the previous weeks’ submissions. By the end of the semester, you should have one comprehensive journal entry document with all your entries included. Please see the sample at the end of this syllabus as an example.

2. **Special project and report:** The host employer and instructor will coordinate to select a relevant special project for assignment and completion by the student intern. Concurrent with completion of the special project, the intern will prepare an executive-level business report appropriate for submission to top management.

The report must include an Executive Summary fully supported with diagnostic research, problem identification, implications, alternative solutions, implementation strategy, recommendations; results achieved or expected outcome and bibliography of research sources. The report must have a minimum of ten (10) pages, double-spaced, not including appendixes. It is submitted to the instructor via the OAKS drop-box and is due no later than Friday, December 5th, 2014.
3. Executive interview summary (1 required): Students will interview one senior-level manager to understand his/her career and discuss primarily career development. Students will summarize the interview in a one (1)-page written document. It is to be submitted to the Instructor via the OAKS drop-box no later than Friday, October 3rd, 2014.

4. Industry Analysis: Students will submit a three-page double-spaced industry analysis which includes information of the size and profitability of the industry, current industry conditions, ways to generate profits and cut costs related to the industry and identification of the host company’s competitors. It is to be submitted to the Instructor via the OAKS drop-box no later than Friday, September 19th, 2014.

Job Performance and Satisfactory Evaluations: The focus of the Internship is to develop practical career-related experience. Performance evaluations are completed by the host employer during and upon completion of the Internship. At least two (2) performance evaluations are documented to form the basis for grade assignment and awarding of college credit. The evaluations will be sent directly to the Host Employer by the internship office and are due October 3rd and November 28th, 2014.

Grading and College Credit: The Internship Course requirements are weighted as follows for assignment of final grade and credit:

- Journals: 30% Due every Monday (beginning September 1st)
- Special project and report: 30% Due December 5th
- Executive interview summary: 15% Due October 3rd
- Job performance and evaluations: 10% Due October 3rd and November 28th
- Industry Analysis: 10% Due September 19th
- Internship Orientation: 5%

100%

During the course, any problems having the potential to cause failure to achieve the objectives of the course must be reported to the Instructor as soon as practical. Failure to keep the Instructor informed of potential problems may result in reduced grade assignment or failure of the Internship course. Late assignment submissions will result in a deduction of points.

Grades: Course grades will be computed as follows:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
<th>Grade</th>
<th>Percentage</th>
<th>Grade</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>94 – 100</td>
<td>C+</td>
<td>77 – 79</td>
<td>D-</td>
<td>60 – 63</td>
</tr>
<tr>
<td>A-</td>
<td>90 – 93</td>
<td>C</td>
<td>74 – 76</td>
<td>F</td>
<td>0 – 59</td>
</tr>
<tr>
<td>B+</td>
<td>87 – 89</td>
<td>C-</td>
<td>70 – 73</td>
<td></td>
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</tr>
<tr>
<td>B</td>
<td>84 – 86</td>
<td>D+</td>
<td>67 – 69</td>
<td></td>
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</tr>
<tr>
<td>B-</td>
<td>80 – 83</td>
<td>D</td>
<td>64 – 66</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Honor Code: The College Honor Code will guide the behavior of each student. Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception.

**Special Note:** Misrepresenting the work you are doing with your Experience Provider in journal entries, final papers, etc. equates to academic dishonesty. Such cases will be brought before the Honor Board.

**Site Visit:** During your internship, the School may make arrangements with your experience provider for a site visit to observe your internship environment.

**Professional Attire:** As a representative of the college and of your experience provider, you are expected to dress appropriately for the work environment.

- **Men:** khakis, a shirt with a collar and a tie. Sports coats are optional.
- **Women:** nice pants or skirts of a conservative length (slightly above the knee is okay, mini-skirts are not), a nice blouse, sweater or top (as long as it's not too tight).
- It is never okay in the office to wear t-shirts, flip-flops, outfits that show your midriff, blue jeans (unless the office has a dress-down day), cut-offs, tennis shoes and hats.
- Obviously, if your place of work has a uniform or requires a certain dress (i.e. the Riverdogs) follow their guidelines.
- Do not wear nose rings (or other visible piercings) in the workplace.

**Professional Conduct:** You would be amazed at how quickly doors close to those who “don’t know how to do.” The following are some guidelines to help you navigate etiquette pitfalls:

- No cell phones. You have been given the opportunity to learn, so use the time wisely.
- No texting – even if it’s quick.
- No checking Facebook or Twitter online or on your phone. You can do this when you are off the clock.
- Saying “please” and “thank you” goes a long way with people.
- When the boss asks you if you want to grab a bite to eat – go! What a great opportunity to talk one on one with someone who is in the business and would be flattered to tell you how he/she got where they are today. Saying “no” – for whatever reason sends a signal that you are uninterested.
- Don’t interrupt.
- Exercise voice volume control, particularly in open cubicle spaces.
- Embrace grunt work. While you are not there to solely make copies nor run out to pick up lunch, we all have a certain amount of administrative tasks that we have to do.
- Always make eye contact.
- Avoid getting attitudinal.
• When meeting someone, don’t forget to introduce yourself—first and last name, speak clearly, and shake their hand, firmly.
• Show initiative. When you have completed a project, ask for another. If you see something that needs to be done, ask your host if you may take on the task.
• Write professionally. Don’t send emails written as if you were texting.
• Watch your tone in emails to avoid sending snippy or emotional emails.
• Mind your manners.
• Own up to mistakes and accept responsibility.
• Emails are addressed in order of hierarchy within the company with the most senior staffer first. For example, president, vice-president, manager, etc. Alphabetizing the distribution list is acceptable as well.

Issues: It rarely happens, but sometimes there are “issues” associated with internships. This could range from experience providers using the intern as a “go-fet” versus providing a good learning experience to personality conflicts or sexual harassment. If at any time you have an issue with the internship, contact your faculty supervisor or Amy Solomon as soon as possible.
Weekly Journal Entries Sample

Name: Bob Jones
Experience Provider: Wilson and Sons Sportswear
Company Supervisor: Tim Wilson
Week of: December 1
Hours worked for the week: 12
Hours worked to date: 115

Over the course of the last week I watched my office responsibilities grow and was able to participate in several different projects. I feel as though this change in responsibilities comes as a result of my employers realizing I am capable of more complex tasks.

This week I was assigned the task of designing two new questionnaires, one for individual clients and the second for businesses. These questionnaires were comprised of personal questions that ranged from favorite sports teams to children’s names, in an effort to make the clients relationship with their financial advisors more personable. Following this section were questions about their financial plans, expectations and goals. I had a basic template to work from but I found my marketing research class to come into great help in the design of the questionnaire. It helped me with determining the appropriate structure, the use of skip patterns, and just general flow. My supervisor was very impressed with my work so I would say that the class prepared me for tasks similar to this.

Name: Bob Jones
Experience Provider: Wilson and Sons Sportswear
Company Supervisor: Tim Wilson
Week of: November 25
Hours worked for the week: 11
Hours worked to date: 104

This week we worked on the marketing plan, identifying the target audience. The methodology was similar to what I learned in MKTG 302. In class, we spent a lot of time on identifying demographic data. At Wilson and Sons Sportswear they rely more on psychographic data than on demographic data and gather the information through one-on-one interviews.

The target market profile is men who make between $25 and $40,000 a year, attend three sporting events a month, vote Republican and own a home. After we determined the target market profile, I called area media outlets and asked for a media kit. I remembered from my advertising class that the media kits contain audience profiles. Next week, I will make a recommendation on what local media outlets will best reach the target market.
Addendum 3

COLLEGE OF CHARLESTON
OFFICE OF THE REGISTRAR

APPLICATION FOR INDIVIDUAL ENROLLMENT

Student's Name: [Redacted]  Student's ID Number: [Redacted]
Course ID Number: [Redacted]  Individual Enrollment Type:
Credit Hours Requested: 3
Term: Fall 2015

Faculty Supervisor: Jocelyn Evins
Project Title: REITs and the Financial Crisis: A Global Analysis
Project Description: The current financial crisis has been linked to the U.S. housing market, yet few academics and practitioners understand the effect of both on the commercial real estate market. This paper will provide a literature review of existing academic research that analyzes this issue.

Independent Study Enrollment Instructions
This form is to be filled out by the student and is to be signed by the student, the faculty member with whom the student is working, and the chair of the department. If the student is enrolling in HONS 399, the Honors College Dean must sign the form instead of the department chair. After all signatures have been obtained, this form will be taken to the Registrar's Office where a section for the Individual Enrollment course will be created and the student will be enrolled in it. The student should keep a copy of the signed form, give a copy to his/her department, and also bring one to the Honors Center if the student is in the Honors College.

The deadline to submit this form to the Registrar's Office is approximately six weeks after the start of the semester. However, students should have begun a dialogue and have a commitment from the professor or other individual with whom he or she will be working with the semester prior to the one that the Independent Study work begins. Students should check with their individual departments about the regulations governing the Independent Study as these may vary from department to department.

NOTE TO STUDENT: You must attach a copy of your Degree Audit with this form.

APPROVAL SIGNATURES (ALL SIGNATURES REQUIRED FOR PROCESSING)

[Signature]
[Signature]
[Signature]
FINC 313: Commercial Bank Credit Analysis and Policy
Spring 2017

Professor: Jocelyn Evans
Office: Beatty 416, School of Business
Phone/Voice Mail: 843-953-6405/678-438-7775
e-mail: evansj@cofc.edu
Office Hours: 6:00 – 8:00 TTH, or by appointment

NOTE: It is your responsibility to read, understand and abide by all of the course information and policies listed below. Failure to do so could result in you failing this course or being withdrawn from this course by your instructor or by the Finance Department. The course syllabus provides a general plan for the course; deviations may be necessary.

IMPORTANT RULES, GUIDELINES AND OTHER INFORMATION

NOTE:
I apologize in advance for the official/legal tone of the rules and guidelines that follow. I do not wish to be impersonal, demeaning or harsh. These policies have evolved over many years and hopefully cover any and all questions that may arise concerning the administration of the class.

Prerequisite
Finance 303: Introduction to Financial Management
Finance 315: Intermediate Finance

Course Overview
Commercial Banking is a comprehensive study of commercial banks and their role in the economy. The course emphasizes the practical application of business and economic principles as they relate to bank management and regulatory policy. Topics covered include banking history and regulation, consumer and commercial credit analysis, asset and liability management, risk management, loan policy, and money management services. Trends such as consolidation, on-line banking, internationalization, and project-line expansion are also addressed.

The financial crisis that appeared in 2007 has dramatically altered global financial institutions and markets. It continues to create macroeconomic problems despite the regulatory reforms that have been implemented. Economic growth is slow and unemployment is high. While the largest institutions have survived and are regaining profitability, many smaller institutions are struggling, in part, because they haven’t had the same access to government guarantees. What does the future hold?

This course is structured around the theme of credit analysis and risk management in banking. The premise is that commercial credit underwriting supports lending activity drives economic growth. You will examine how banking institutions generate earnings and assess the risks assumed in their operations. Topics to be covered include performance analysis, capital management, interest rate risk management, credit analysis and resolving asset quality problems, liquidity planning, investment portfolio analysis, the use of off-balance sheet instruments and activities, and industry consolidation associated with failures and acquisitions. Content and discussion will cover both domestic and international banking activities.
The objective of this course is to also provide the student with the conceptual framework necessary to analyze and comprehend the current problems confronting managers of commercial banks and other depository institutions. The course materials do not dwell on the development of financial theories. It is assumed that the student comprehends the basic theoretical concepts of corporation finance, monetary theory, and financial accounting. Each class session will be structured to include lecture, discussion, and problem/case analysis. Text reading assignments are described in the attached materials. Specific dates at which assignments are due will be indicated in class.

Course Objectives
1. To provide an understanding of how a loan is graded from a credit perspective based upon financial statements and other information
2. To provide an in-depth review of credit analysis and loan documentation
3. To provide an understanding of the evaluation of collateral risk
4. Evaluate the legal and ethical issues surrounding the financial industry and the crisis that affect decision-making in banking organizations
5. The course provides a framework within which key financial decisions and risks relating to banking within the international environment are analyzed.
6. Analytical techniques such as financial analysis of banking data, duration, gap management, securitization, key elements relating to bank capital management, and analysis of various different risks faced by the banking organization are considered.

Course Learning Outcomes
1. Demonstrate a practical understanding of loan underwriting by completing a credit analysis for a financial institution and a non-financial firm
2. Understand the eligibility criteria for loans
3. Understand the role of covenants
4. Apply basic quantitative skills to banking issues
5. Develop the ability to read and analyze bank financial statements

School of Business Learning Goals
1. Communication Skills: students will demonstrate the ability to communicate, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner
2. Quantitative Fluency: Students will demonstrate competency in logical reasoning and data analysis skills.
3. Global and Civic Responsibility: Students will be able to identify and define social, ethical, and economic challenges at local, national and international bank organizations.
4. Intellectual Innovation and Creativity: Students will be able to demonstrate their resourcefulness and originality in addressing extemporaneous problems such as the role of credit underwriting in the recent financial crisis.
5. Synthesis: Students will demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive risk management tasks.

Required Course Materials
2. Selected articles and cases
3. The Wall Street Journal
4. Business Calculator

Recommended Materials
1. Bloomberg Business Week
2. Fortune
3. Economist
4. American Banker
5. Financial Times
6. ABA Banking Journal
7. The RMA Journal
8. Forbes

The Wall Street Journal, Business Week, and Fortune can be obtained at reduced student rates by completing the subscription forms circulated in class. The current banking periodicals listed are available in the Moore School library.

STUDENT RESPONSIBILITY:
Textbook chapters to read *before the day that topic is covered in class*, are listed in the course outline. Be sure to refer to the outline that corresponds to the class days for the course you attend. The Textbook has been designed as a self-directed learning guide. It is the responsibility of each student to know and understand the subject matter covered in each Textbook chapter whether or not the specific material is covered in class. Additionally, each student is responsible to know how to solve, before each scheduled exam, all of the assignments and problems listed in the course outline for all of the chapters covered in that exam.

ATTENDANCE:
Each student is expected to attend *ALL* scheduled class meetings for the *entire duration* of the class meeting. (See the note on academic honesty below). An absence from class for any reason (job conflict, illness, appearance in court, transportation problems, travel, athletic event, etc.), even if permitted and/or excused by your instructor, will count as one of the class absences against the three-week equivalent cumulative limit specified above. *If a student is withdrawn for excessive absences, a final grade of WF will be assigned.* There will be no exceptions to this policy!!

ACADEMIC HONESTY:
The College of Business Administration adheres strictly to the University’s policy on academic honesty as contained in the *Academic Regulations* section of the College of Charleston Honor Code in the Student Handbook. Any student found copying during exams or quizzes, signing someone else’s name to the attendance list, using stored formulas in programmable calculators, using non-authorized formula sheets or other notes during exams, collaborating on and/or copying the course project (including from students in prior classes), or the like will receive an F for the course and possibly be subject to additional University disciplinary action.

Course

Course Grading: Assessment
The course grade will be determined on the basis of two written exams given throughout the semester. The grading weights are provided below. Make-up exams are not normally allowed, but, where appropriate, it’s weight will be added to the final at the end of the semester. *You must notify me before a test begins to qualify for consideration regarding a make-up.*
Contact me directly via my email. All exams will be problem-oriented and/or short-answer (key concept) in form. If you do not take a test, a score of 0 will be assigned.

The course is also designed to provide an introduction to loan underwriting based upon the five C’s of credit. Profitability and various risk criteria will be reviewed in addition to collateral quality.
Grading | Total points possible
---|---
Questions and Problems | 10%
Exam 1 | 15%
Exam 2 | 15%
Exam 3 | 15%
Exam 4 | 15%
Bank Credit Analysis | 30%
Total Points | 100%

Paper (see handout)

I. Executive Summary (Evaluate the organizational chart for the number and range of bank and non-bank subsidiaries.)
II. Banks Mission and Focus (Size and Scope)
III. Industry Performance and Analysis over the last 10 years
IV. Regulatory Changes over the last 10 years
V. CAMEL
VI. SWOT and Balanced Score Card
VII. Profitability Ratios and Market Value Ratios
VIII. Liquidity Ratios, Default Ratios, Interest Rate Risk Ratios, TARP
IX. Summary and Investment Decision Conclusion

Assignments & Class Participation

Daily assignments will be made at the end of each class. Typical assignments include background readings and selected problems or a case. Regular participation is an integral part of this class. Each student is expected to contribute by answering questions and presenting data analysis in class. During each session, students will be selected to respond to questions. It is expected that each student come to class prepared to participate in class discussion and present his or her analysis. Questions at the end of each chapter will be used as a basis for discussion.

* Students cannot earn ‘credit’ beyond what is available with the tests and quizzes. Be diligent in your preparation, class participation, and performance on the exams and quizzes. Bring a calculator and blue book with you to all tests.

Cases/Projects: For Discussion Purposes and Written Assignment

See Corporate Credit Analysis text book

Course Outline: Bank Management

A. Part One: Overview & Asset Liability Management
   1. Banking & Financial Services Industry (Chapter 1 Koch) 1-12-17
   2. Questions Due for Chapter 1 (Koch) 1-17-17
   3. Government Policies and Regulation 1-17-17
   4. Questions Due for Chapter 2 (Koch) 1-19-17
   5. Sovereign and Country Risks (Chapter 1 Ganguin) 1-19-17
   6. Paper Due on a Specific Regulation 1-24-17
   7. Industry Risks (Chapter 2 Ganguin) 1-24-17
   8. Company-Specific Risks (Chapter 3 Ganguin) 1-26-17
   9. Continued 1-31-17
10. Evaluating Management (Chapter 4 Ganguin) 2-2-17
11. Continued 2-7-17
12. EXAM 1 2-9/14-17

B. Part Two: Profitability Financial Analysis of Banks and Financial Institutions
1. Analyzing Bank Performance (Chapter 3 Koch) 2-21-17
2. Questions and Problems Due for Chapter 3 (Koch) 2-23-17
3. Effective Use of Bank Capital (Chapter 12 Koch) 2-23-17
4. Questions and Problems Due for Chapter 12 (Koch) 2-28-17
5. Managing Noninterest Income/Expense (Chapter 4 Koch) 2-28-17
6. Questions and Problems Due for Chapter 4 (Koch) 3-2-17
7. EXAM 2 3-14/16-16

C. Part Three: Managing Interest Rate Risk
1. The Performance of Nontraditional Companies (Chapter 5 Koch) 3-21-17
2. Questions and Problems Due for Chapter 5 (Koch) 3-23-17
3. Pricing Fixed Income Securities (Chapter 6 Koch) 3-23-17
4. Questions and Problems Due for Chapter 6 (Koch) 3-28-17
5. Managing Interest Rate Risk (Chapter 7 Koch) 3-28-17
6. Questions and Problems Due for Chapter 7 (Koch) 3-30-17
7. Managing Interest Rate Risk (Chapter 8 Koch) 3-30-17
8. Questions and Problems Due for Chapter 8 (Koch) 4-4-17
9. EXAM 3 4-6/11-17

D. Part Two: Managing Liquidity & Bank Lending and Credit Analysis
1. Using Derivatives to Manage Interest Rate Risk (Chapter 9 Koch) 4-13-18-17
2. Questions and Problems Due for Chapter 9 (Koch) 4-20-16

F. Final Exam Due-Commercial Bank Financial Analysis 4-25-16

Helpful Reading for Paper in Ganguin and Bilardello
H. Loan Structuring
1. Matching loan purpose to loan structure: asset based lending, term loans, lines of credit and loan funding (sources and uses)
   CCA Chapter 8: Insolvency and Debt Structures
   CCA Chapter 9: Estimating Recovery Prospects
2. Repayment analysis: PSOR Primary source of repayment and SSOR Secondary source of repayment
   CCA Chapter 6: Cash Flow Forecasting and Modeling
3. Evaluating collateral
4. Evaluating guarantors
5. The role of loan agreements
   CCA Chapter 7: Debt Instruments and Documentation
1. Pricing-fixed versus variable
   CCA Chapter 11: Measuring Credit Risk-Pricing and Credit Risk Management
   CCA Chapter 10: Putting It All Together-Credit Ranking

I. Paper on New Legislation During the last 10 years
In addition, you are required to complete a written report. In this report, you are to do the following:

a. Write a brief introduction detailing the change in legislation you chose and, more the complete paper will be graded both on content and exposition.

b. Write a paper with the following components.

1. Choose a recent legislation during the last 10 years
2. Discuss the impetus for the change in legislation, regulation and supervision related to the legislation that you chose
3. Provide a detailed description of the legislation
4. How did it protect consumers and investors from financial abuse?
5. How did different aspects of the market affect different financial markets? (e.g., TARP)
6. How will the new laws change regulation by the Federal Reserve, FDIC, OCC and other agencies? Does it represent continuous improvement?
7. How did domestic and international standards change?
8. What financial institutions are affected by this legislation?
9. What is the ethical consideration from different stakeholders' perspectives?
10. If you get hired as a technical consultant for the banking and financial industries, what are the major issues that you would work on based upon the change in legislation that you chose?

Bank Analysis Project

I. Much of your work, including virtually all of the calculations, need to be done in Excel. More specifically, they need to be done in a manner that facilitates flexibility. You should set up your model so that the inputs can be changed and the calculations automatically adjust. You should turn in the completed Excel sheet in an OAKS dropbox. The completed sheet will be graded both on accuracy and ease of use/appearance.

II. Each student must submit a financial analysis report or a specific bank (must be approved by me in advance) including the following:

a. Title Page with name, date, course, etc.

b. A synthesis of financial statistics for your bank and four competitors

c. A summary that consists of the following:

   Section 1: Strategy
      i. What are you looking for in a portfolio in broad terms?
      ii. What mixture of asset types would you like in your portfolio?
      iii. How do you then pick individual investments?

   Section 2: Portfolio
      i. Characteristics of the individual investments.
      ii. Characteristics of the loan portfolio.
      iii. Does the financial performance coincide with the strategy in Section 1?

   Section 3: Performance
      i. Individual bank performance.
      ii. Overall portfolio performance.

   Section 4: What have you learned?

Details of Paper

I. Executive Summary

II. Introduction and Overview

A. National, Regional, State or Local Bank
B. Geographic Areas  
C. Management Team Critique-Company and CEO History  
D. Innovations, Strengths, Weaknesses  
E. Industry Analysis and Relevant Competition  
F. Bank Organization  
G. Economic Outlook  
H. Current Events  

III. CAMELS-Historical Analysis (Last Five Years)  
A. Capital Adequacy-Risk Based Equity  
B. Asset Quality-Credit Risk  
C. Management Quality  
D. Earnings-Profitability {End Of Paper I}  
E. Liquidity  
F. Interest Rate Sensitivity {End Of Paper II}  
IV. Market Ratios  
V. Summary Analysis {Final}
Finance Special Topic /Global Investment Industry
(FINC360-01), Summer 2016
Classroom: Online via Oaks

Instructor: Weishen Wang, Ph.D., CFA
Office: Beatty Center 404 Phone: 953-0887 (office) E-mail: wangw@cofc.edu
Office Hours: Online via OAKS Chat MTWR 1:45PM-3:45PM or by appointment

Class Format
This is an online course delivered via OAKS. The class material can be power point slides, reading
assignment, videos, homework, quizzes and/or exams, all available on OAKS. Students are expected to
log in the course home page at least 4 times per week, complete home assignments/quizzes, and
independently finish TIMED exams through OAKS.

Technical Issues
All technical issues should be reported to the Help Desk at 843-953-3375 or Email: helpdesk@cofc.edu.
Technical problems do not constitute an excuse for late assignments.

Participation and Community Statement
Communication from Professor
I will send email messages to the class regarding important announcements, and will post some message
on the news section on the course home page.

It is expected that you log into OAKS and check your OAKS registered email account daily.

All relatively personal communications to students will be done via email. I will respond to emails in 24-
48 hours. The response time may be longer on weekends.

Communication with Professor and Classmates
We will be using the communication tool in OAKS to interact. The News Feed will be updated with a
brief description of the upcoming events. I expect the class to participate actively in the course by making
use of this OAKS communication tool. Community participation is an integral part of the online learning
process. It is my expectation that students will learn from each other through the discussion of ideas on
the forum.

There will be a Class Discussion Board. If there is an issue or a question you feel the entire class will
benefit from a discussion, you may post it on the Board.

Students are highly encouraged and expected to participate in these community discussions. In case there
is an issue that students want to discuss one-to-one with the professor, please email me.

Please read and review the assigned chapter before posting on the course discussion board. I can see when
a student logs onto the course website and monitor progress through the course.
To this end, I expect students to log into the course website at least 4 times per week. I also expect students to post at least one question per chapter. Students are also expected to provide at least one response to these questions. When posting your answers or questions, please pay attention to the content and language. Try to be polite and professional! This fosters trust and understanding among community members. Students will be evaluated on the quality and insights of their contributions. Quality comments should include one or more of the properties below: Offers a different and unique perspective; Aids in moving the discussion and analysis forward; Builds on other comments; Demonstrate some reflective thinking.

Community participation constitutes 10% of the total course grade. Points will be assigned based on the professor’s observation of each student’s participation on the discussion board. Additionally, I will use the community participation to manage border line grades.

Office Hours

I will actively monitor the computer for emails, messages, or requests from students during the stated office hours. Communication can be done via email, OAKS Chat, or telephone. In case students are unavailable during the posted office hours, they can request a different virtual meeting time and the request will be accommodated as best as possible.

Course Description

The purposes of this course are twofold: earning credit hours for a degree at the College of Charleston and preparing to take exam for the Claritas Investment Certificate from the CFA Institute. The course covers the essentials of finance, ethics, and investment roles, providing a clear understanding of the global investment industry. The course benefits not only finance students, but also anyone who likes to work with or for financial and investment services organizations, in roles such as IT, sales and marketing, human resources, and customer service. The class is open to all majors at the College. Students interested in the investment industry are particularly welcome.

The course will cover 7 modules. These module cover materials as follows: investment industry overview, ethics and investment professionalism, inputs and tools for investment professionals, investment instruments, structure of the investment industry, serving client needs, and industry controls, which involve risk management, performance evaluation, and investment industry documentation.

SB Learning Goals Addressed

- Goal 1: COMMUNICATION SKILLS: help students develop finance literacy, be able to communicate with professionals in investment industry using right financial terms, concepts, and numbers.
- Goal 2: QUANTITATIVE FLUENCY: help students learn to do basic math in the world of Finance.
- Goal 3: GLOBAL AWARENESS AND RESPONSIBILITY: prepare students to be global citizen, think about investments in the global context.
- Goal 4: SYNTHESIS: help students from multiple disciplines including finance succeed in investment industry.
The SB learning goals are:

**COMMUNICATION SKILLS**: Students will demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner.

**QUANTITATIVE FLUENCY**: Students will demonstrate competency in logical reasoning and data analysis skills.

**GLOBAL AND CIVIC RESPONSIBILITY**: Students will be able to identify and define social, ethical, environmental and economic challenges at local, national and international levels. Students will also be able to integrate knowledge and skills in addressing these issues.

**INTELLECTUAL INNOVATION AND CREATIVITY**: Students will be able to demonstrate their resourcefulness and originality in addressing extemporaneous problems.

**SYNTHESIS**: Students will demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks.

Goals of the Course

Bring clarity to complexity
Develop a deeper understanding of the investment industry with a global education program that gives you a strong foundation for working in a complex and dynamic profession.

Share a common understanding
Raise your professional competence by understanding investment industry functions, relationships, and your role and responsibilities in the big picture.

Improve your performance
Improve your performance by gaining a common global standard of the industry and sharing a common body of knowledge, whether you work in New York, London, Mumbai, or Hong Kong.

Stand out from your peers
Gain a fundamental framework and knowledge of the investment industry so you stand out from the crowd in a competitive industry.

Build your confidence
Feel more confident working and communicating with global colleagues and clients by understanding the industry and how your role impacts the rest of the business.

Measurement of Goals

We intend to measure class’s learnings using external metrics. After successfully finishing the course, students not only earn three college credit hours, but also, ideally pass the Claritas exam and receive the Claritas Investment Certificate. We strive for 100 percent passing rate.
More information about the Claritas investment certificate, please visit the website [http://www.cfainstitute.org/programs/claritas/details/Pages/index.aspx](http://www.cfainstitute.org/programs/claritas/details/Pages/index.aspx)

**Required Material**
With permission from the CFA Institute, I provide students a copy of the Claritas Program eBook free of charge. Distributing the eBook by students in the class to others not in the class is strictly prohibited.

**Prerequisites**
Junior standing, ACCT 203, 204, ECON 200, 201, MATH 104 or 250, or instructor permission

**Class Participation Policy**
Mandatory

**Grades**
The student’s grade will be determined based on completion and performance of quizzes, and mock exam for the Claritas Investment Certificate, as well as class participation. The purpose of giving quizzes is to encourage you to keep up with the material. Quizzes will be assigned online for each chapter. Quizzes will mainly consist of multiple choice questions, sometime short answer questions and open-ended problems. Approximately 20 quizzes will be given. Check out the quiz instruction in the course content in 4 OAKS. Test for each module and the mock exam are all provided online, similar to the quizzes.

All quizzes, tests and exams are due at 11:45 PM eastern time on the designated deadline. There will be no opportunities to make up quizzes, tests or mock exams.

The total grades will be based on the student’s performance on class participation, quizzes, tests, and exams. Each component has points and weightings listed in the following table:

<table>
<thead>
<tr>
<th>Items</th>
<th>Total Points</th>
<th>Points Received</th>
<th>Weights</th>
<th>Contribution to overall grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)’=100’*(4)</td>
</tr>
<tr>
<td><strong>End-of-Chapter Quiz</strong></td>
<td>100</td>
<td></td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td><strong>(21 chapters)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mock Exam (2)</strong></td>
<td>100</td>
<td></td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td><strong>Class Participation</strong></td>
<td>100</td>
<td></td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Points</strong></td>
<td></td>
<td></td>
<td>100</td>
<td><strong>Sum of above</strong></td>
</tr>
</tbody>
</table>
Students' total points earned for the class are determined mechanically by the weights above and the points that students actually received on each component. The final course grade will be in a letter based on the following conversion table:

<table>
<thead>
<tr>
<th>Total points</th>
<th>Letter grade</th>
<th>Total points</th>
<th>Letter grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-100</td>
<td>A</td>
<td>70-74</td>
<td>C</td>
</tr>
<tr>
<td>88-89</td>
<td>A-</td>
<td>68-69</td>
<td>C-</td>
</tr>
<tr>
<td>85-87</td>
<td>B+</td>
<td>65-67</td>
<td>D+</td>
</tr>
<tr>
<td>80-84</td>
<td>B</td>
<td>60-64</td>
<td>D</td>
</tr>
<tr>
<td>78-79</td>
<td>B-</td>
<td>58-59</td>
<td>D-</td>
</tr>
<tr>
<td>75-77</td>
<td>C+</td>
<td>57 and below</td>
<td>F</td>
</tr>
</tbody>
</table>

College of Charleston Honor Code and Academic Integrity

Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the instructor determines the student’s actions are related more to a misunderstanding will handled by the instructor. A written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, submitted by form and signed both by the instructor and the student, will be forwarded to the Dean of Students and placed in the student’s file.

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration—working together without permission—is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance.

Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the instructor.

Students can find the complete Honor Code and all related processes in the Student Handbook at [http://studentaffairs.cofc.edu/honor-system/studenthandbook/index.php](http://studentaffairs.cofc.edu/honor-system/studenthandbook/index.php)
Disability Statement

Students approved for SNAP Services should meet with me during the first two weeks of classes or as soon as they are approved for services to discuss accommodations and present a copy of their SNAP-issued Professor Notification Letter (PNL). It is the student’s responsibility to initiate discussion with me regarding accommodations that may be needed. I will make reasonable accommodations for persons with documented disabilities.

Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsibility for notifying me as soon as possible and for contacting me one week before accommodation is needed.

Other items

1. For other matters not specified in this syllabus, we comply with the common policy of the College.
Approximate Topic Weights for the Claritas Investment Certificate exam*

<table>
<thead>
<tr>
<th>Module</th>
<th>Topic</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Module 1</td>
<td>Industry overview</td>
<td>5%</td>
</tr>
<tr>
<td>Module 2</td>
<td>Ethics and regulation</td>
<td>10%</td>
</tr>
<tr>
<td>Module 3</td>
<td>Inputs and tools</td>
<td>20%</td>
</tr>
<tr>
<td>Module 4</td>
<td>Investment instruments</td>
<td>20%</td>
</tr>
<tr>
<td>Module 5</td>
<td>Industry structure</td>
<td>20%</td>
</tr>
<tr>
<td>Module 6</td>
<td>Serving client needs</td>
<td>5%</td>
</tr>
<tr>
<td>Module 7</td>
<td>Industry controls</td>
<td>20%</td>
</tr>
</tbody>
</table>
# Schedule of Class (subject to adjustments as we proceed)

<table>
<thead>
<tr>
<th>Date</th>
<th>Modules</th>
<th>Chapters</th>
<th>Assignments</th>
</tr>
</thead>
</table>
| May 16  | **MODULE 1: INDUSTRY OVERVIEW** | Syllabus  
CHAPTER 1 The Investment Industry: A Top-Down View |                                                  |
| May 17  | **MODULE 2: ETHICS AND REGULATION** | CHAPTER 2 Ethics and Investment Professionalism (More attention)  
CHAPTER 3 Regulation (More attention) |                                                  |
| May 18  | **MODULE 3: INPUTS AND TOOLS**   | CHAPTER 4 Microeconomics  
CHAPTER 5 Macroeconomics  
CHAPTER 6 Economics of International Trade |                                                  |
| May 19  |                                  | CHAPTER 7 Financial Statements  
CHAPTER 8 Quantitative Concepts |                                                  |
| May 20  | **MODULE 4: INVESTMENT INSTRUMENTS** | CHAPTER 9 Equity Securities  
CHAPTER 10 Debt Securities  
CHAPTER 11 Derivatives | CHAPTER 12 Alternative Investments  
Comprehensive Mock Exam 1  
Posted online |
| May 23  |                                  |                                                                          |                                                  |
| May 24  |                                  |                                                                          | For each chapter, students must read the chapter and complete the quiz questions online. |
| May 25  | **MODULE 5: INDUSTRY STRUCTURE** | CHAPTER 13 Structure of the Investment Industry (More attention)  
CHAPTER 14 Investment Vehicles |                                                  |
| May 26  |                                  | CHAPTER 15 The Functioning of Financial Markets |                                                  |
| May 27  | **MODULE 6: INDUSTRY CONTROLS**  | CHAPTER 16 Risk Management  
CHAPTER 17 Investment Management Performance Evaluation (More attention)  
CHAPTER 18 Investment Industry Documentation (More attention) |                                                  |
| May 30  | **MODULE 7: SERVING CLIENT NEEDS** | CHAPTER 19 Investors and Their Needs  
CHAPTER 20 Asset Allocation | Chapter 21 Active and Passive Investment Management |
| May 31  |                                  |                                                                          | Comprehensive Mock Exam 2  
Posted online |
COLLEGE OF CHARLESTON
SCHOOL OF BUSINESS
COURSE SYLLABUS

FINC 385, Spring 2017
Principles of Risk Management and Insurance
Mondays & Wednesdays 5:30 to 6:45 p.m., Room 320-Beatty
Prerequisites: Junior or Senior standing & Business Statistics

Instructor: Prof. Peter Alan Smith

Home Office telephone: 843 577 9707
Email: smithpa@cofc.edu Or psmith05@post.harvard.edu
Office Hours: by appointment
As a full-time working professional, and With the varied work schedules of most students and faculty, fixed office hours are generally inconvenient for all. As a result, I have provided my home telephone number. If you would like to meet with me, let me know and we will arrange a mutually satisfactory time. For some students, telephone "meetings" are easier. To this end, you may call me at home during reasonable hours (i.e., before 9:00 p.m.).

Emails: I regularly send emails to convey assignments, important dates and messages. It is important to regularly check your email account for such messages.

Textbooks:
The following Textbooks must be purchased:

ISBN-10: 0538450150

Hubbard, Douglas W., “The Failure of Risk Management”: Why It’s Broken and How to Fix It, John Wiley & Sons, 2009,

ISBN: 978-1-118-53927-9


Ariely, Dan, “Predictably Irrational”: The Hidden Forces That Shape Our Decisions, Harper Collins publishers
ISBN: 006135323X

The daily reading of the Wall Street Journal is required. It is accessible via the school’s library network or for a deeply discounted student rate. Student subscriptions can be found at: www.wsj.com/studentoffer
Students will be asked to bring a Wall Street Journal article of interest on a particular class related topic for presentation and discussion. **An oral presentation** of 5 to 7 minutes will be required of each student expanding on the articles premises. Topics will be discussed in class, but I would prefer that you bring insights from your own career interests to the presentation.

**Reading assignments:** The "**Fundamentals of Insurance**" textbook is basic and straightforward. Each assigned chapter constitutes a subject that we will discuss at length in class. I will highlight important terms within the book as we go along. "**The Failure of Risk Management**" is a brilliantly written book on a subject that has come under strong and well deserved scrutiny in the past few years. I believe its contents will be a resource for all business students and graduates for years to come. Some of the math might seem rather complex for some students. But since this is a "principles" course, I expect students to learn the underlying concepts pertaining to risk management. I want students to come away with a broad understanding of how risk management works and how to avoid its pitfalls. Douglas Hubbard's other master-work, "**How To Measure Anything**," still the #1 best seller in Amazon's Business Math ranking, will be studied concurrently with his risk management book. There is no finer authority on risk, uncertainty, and applied metrics available today. Great news! Douglas Hubbard has agreed to respond to emailed questions regarding topics on his two books. They must be very pertinent and well thought out and cc'd to me. **Extra credit** will be given to any student who receives a response from Mr. Hubbard. His email address is: dwhubbard@hubbardresearch.com

"**The Logic of Collective Action**" by Mancur Olsen remains one of the great works on group behavior whether for business, government, or social dynamics. I will cite it throughout the course and weave it into most themes. Students who can bring Olsen’s work into their own efforts will be accordingly rewarded.

Dan Ariely, author of "**Predictably Irrational,**" has made the growing field of Behavioral Economics more easily understood for the average business person. This work has challenged many conventions about rational behavior, especially within the business, economics and risk management realms. I hope that some students will find the book so compelling that they will read the remaining chapters on their own.

**Guest lecturers**
I have lined up many guest lecturers to speak on topics of their expertise. Their availability might vary; therefore, dates are subject to change. Speaker topics to be covered include:

- Life
- Property and Casualty
- Lloyd’s of London
- Captive and Reinsurance Markets
- Maritime
- Establishing an Agency
- IT/Social Media Risk
- Insurance Fraud
- Insurance Careers
FORMAT FOR YOUR ESSAY:

An essay on the Calibration Exercises of Chapter 5 in “How to Measure Anything” is due in late April. It should be around 5 pages (not including bibliography). I do not need a paper hard-copy. Electronic media, Microsoft Word documents (*.doc/docx) or (*.txt for non-MS products) can be emailed to me, or Transmitted to me via a portable drive. Double space, with a 12 point font, and cite your sources. When in doubt about whether to acknowledge the work of others, always opt to cite it! Occasionally, I will print out a paper for my colleagues.

COURSE DESCRIPTION:

Risks and uncertainty are pervasive in every aspect of business and life. The field of insurance is as wide ranging as life itself. We are going to make the concept of Risk more tangible. We are going to examine many diverse types of insurance products and Risk Management procedures. Some of these are very worthwhile, while others are marginally beneficial, and others are unethical or useless. Some are even worse than useless. We will learn about many of these products and procedures from the Corporate, Agent or client perspective.

Professionals in the insurance and risk management arenas have developed their own terminologies. There are many unique words used to describe insurance contracts, coverage and risk management techniques. Acronyms are widespread. Use of insurance and risk management terminology will be encouraged in class, on exams and assignments. Much of your grade will develop from your mastering this vocabulary! Between the basic study of insurance products and the steady absorption of risk management dynamics, you will be thoroughly immersed in the fascinating world of Risk Management and Insurance!

COURSE Goals:

By the completion of this course, You will:

- Gain knowledge of a wide range of insurance products and terminologies
- Become more calibrated in making estimations and predictions
- Understand The psychology of risk with regard to statistics and behavioral economics
- Determine the inherent risks present in your academic field of study or interest
- Learn how to properly measure and model risks
- Understand the use of lobbying and pressure groups to mitigate risk or attain benefits
- Be exposed to a wide range of insurance and risk management careers
- Learn to avoid the pervasive range of risk management misconceptions and traps
METHOD OF EVALUATION AND GRADING SCALE:

Your grade will be determined by the following.

- Mid-term Examination 20%
- Final Examination 30%
- In-class Oral Presentation 20%
- Essay 20%
- Class Participation 10%

I take attendance. Absences will be excused by providing the required documentation. If you are ill, obtain the verification from the Student Health Services. If you are representing our school athletically or academically, have the related college authority contact me at least one week before the event. I will make "reasonable accommodations." Examples of reasonable accommodations might include: rescheduling an exam, altering presentation times, or flexibility in assignment submission dates. Regardless of any accommodation granted, students are responsible for satisfying all academic objectives, requirements, and prerequisites. I will ascertain whether both excused and unexcused absences count in determining the basis for a grade of "WA," which stands for "withdrawn excessive absences" and is equivalent to a failing grade. Attendance will be factored into your class participation grade along with take home quizzes and class interactions.

OUTLINE OF COURSE CONTENT:

This course outline provides a general plan for the course; deviation may be necessary. Any schedule change will be announced in class and emailed to you. You are responsible for the announced change regardless of whether you are in class at the time of the announcement. This includes announcements made the first night of class. Not having received the emails in time is not an excuse!
Spring, 2017 Tentative Course Calendar

Wednesday, January 11
Lecture #1 Introduction, Take home quiz Assignment #1 will be given, due on Wednesday, January 18.

Wednesday, January 18
Lecture #2 The Basics - We will begin a discussion on important terminologies.
Chapter 1 in “Fundamentals of Insurance”
Chapter 1 in “Failure of Risk Management”
Take home quiz Assignment #2, on Auto Insurance web sites, given, due On Wednesday, January 25.

Monday, January 23
Lecture #3 More basic terms & Auto Insurance
Chapter 2 in “Fundamentals of Insurance”
Chapter 1 in “How to Measure Anything”
Take home quiz Assignment #1 is Due

Wednesday, January 25
Lecture #4 Automobile & Homeowners Insurance
Chapters 2 & 5 in “Fundamentals of Insurance”
Chapter 2 in “Failure of Risk Management”
Take home quiz #2 on Auto Insurance web sites is due.
Take home quiz Assignment #3 given on Group Think, due Monday, February 6.

Monday, January 30
Lecture #5 Homeowners Insurance
Chapter 6 on Homeowner’s Insurance, “Fundamentals of Insurance”
Chapter 2 in “Failure of Risk Management”

Wednesday, February 1
Randy Beaver, Health, Safety and Emergency Manager for the College of Charleston will be a guest speaker
Chapter 6 on Homeowner’s Insurance, “Fundamentals of Insurance”
Chapter 2 in “How to Measure Anything”

Monday, February 6
Lecture #6 Workers Compensation & Disability Insurance
Chapter 4 in “Fundamentals of Insurance” on Worker's Compensation.
Chapter 8 in “Fundamentals of Insurance” on Disability
Chapter 3 in “Failure of Risk Management”
Chapter 3 in “How to Measure Anything”
Take home quiz #3 on Schiller “Group Think” article is due. Take home quiz #4, providing your presentation topic and article url, is announced, due Monday, February 22.

Wednesday, February 8
Paul Steadman, C of C School of Business Board member and Commercial Lines Insurance agent/broker will discuss his work.
Chapter 3 in “Failure of Risk Management”
Chapter 3 in “How to Measure Anything”
Monday, February 13
Lecture #7 Collective Action & Health Care
Pages 1 - 21, & 148 - 159 in Olsen’s “Logic of Collective Action”
Chapter 3 in “The Fundamentals of Insurance” on Health Care.
Chapter 4 in “The Failure of Risk Management”
Chapter 3 in “How to Measure Anything”

Wednesday, February 15
Mid-Term Examination, 5:30 – 6:45 p.m.*
Bring #2 pencil for Scantron sheets!

*Please note that no one can leave the room until they hand in their exam!

Monday, February 20
Billy Mills, Director of Wells Fargo Property & Casualty Southeast Region will discuss Commercial Lines Insurance.

Wednesday, February 22
Jenny Hilton from Roanoke Trade will talk with us on Maritime Risks and Insurance.
Take home quiz #4, providing your presentation topic and article url, is due. Presentation Schedule announced shortly thereafter.

Monday, February 27
Jamey Mellis from Computer Solutions will discuss Information Technology risks

Wednesday, March 1
Margaret Fleming and Bryan Beason, Special Claims Investigators for Farm Bureau Insurance, will discuss Insurance Fraud.

Monday, March 13
Oral Presentations Round 1.
Chapter 5 in “The Failure of Risk Management”
Chapter 4 in “How To Measure Anything”

Wednesday, March 15
Oral Presentations – Round 2
Chapter 5 in “The Failure of Risk Management”
Chapter 4 in “How To Measure Anything”

Monday, March 20
Oral Presentations - Round 3
Chapter 5 in “The Failure of Risk Management”
Chapter 4 in “How To Measure Anything”

Wednesday, March 22
Oral Presentations Round 4
Take Home Quiz#5 Persi Mathematician given, due on April 3.

Monday, March 27
Oral Presentations – Round 5
Wednesday, March 29
Oral Presentations – Round 6

Monday, April 3
Lecture #8, Life Insurance
Chapter 7 on Life Insurance in “Fundamentals of Insurance”
Chapter 6 in “The Failure of Risk Management”
Chapter 5 “How to Measure Anything”

Wednesday, April 5
Lecture #9, Life Insurance
Chapter 7 on Life Insurance in “Fundamentals of Insurance”
Chapter 7 in “The Failure of Risk Management”

Monday, April 10
Fran Johnson from Johnson & Johnson will discuss their Surplus Lines Business,
Lloyd’s of London, and corporate hiring practices.
Chapter 8 The Failure of Risk Management

Wednesday, April 12
Lecture #10 Captives 101
Chapter 6 How to Measure Anything

Monday, April 17
Guest speaker, Douglas Hubbard, author of our 2 textbooks will discuss Decision
Research, Risk Management and life’s unlimited possibilities.
Chapters 1-6 How to Measure Anything
Chapters 1-8 The Failure of Risk Management

Wednesday, April 19
Captive Guest Lecturer
Chapters 1 & 2 of Ariely’s “Predictably Irrational”

Monday, April 24
Mike Veeck, Owner of the Charleston Riverdogs will tell us Why he hates
Insurance!
Confidence Interval essay is due! There are severe late penalties!!

Wednesday, April 26
Lecture #11 Bringing It All Together
Chapters 1 & 2 of Ariely’s “Predictably Irrational” must be completed.
Chapter 8 in “The Failure of Risk Management”
Chapter 6 in “How to Measure Anything”
Wednesday, May 3
Final Examination, 4:00 to 7:00 p.m.
Room 320
*Please note that no one can leave the classroom during an exam, for any reason, until they have finished their work and handed in the exam. This also applies for the Mid-Term Exam

Academic Honesty:

Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

If an infraction is based upon a student’s misunderstanding, a written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, submitted by form and signed both by myself and the student, will be forwarded to the Dean of Students and placed in the student’s file. Cases of suspected academic dishonesty will be reported directly by myself and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

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Academic Assistance:
Assistance offered in the College Skills Writing Lab and Speaking/Presentation Lab located in the Center for Student Learning (Addlestone Library, first floor). Trained writing consultants can help with writing for all courses; they offer one-to-one consultations that address everything from brainstorming and developing ideas to crafting strong sentences and documenting sources. For more information, please call 843.953.5635 or visit http://csl.cofc.edu/labs/writing-lab/.

Disabilities:
Suffice it to say that I am very aware of disability issues. Students approved for SNAP Services are instructed to meet with each of their professors during the first two weeks of classes or as soon as they are approved for services to discuss accommodations and present a copy of their SNAP-issued Professor Notification Letter (PNL). It is the student’s responsibility to initiate discussion regarding accommodations that may be needed.
Your First Take home quiz Assignment: Due:  
Wednesday, January 20

Please email me at
smithpa@cofc.edu

The following information about yourself: (it will remain strictly confidential!)

Name: First, Middle Initial, Last

How you would like to be called.

Preferred email address

Phone #(s)

Major(s)

Junior, Senior, etc.

Any employment during semester?

Hometown(s): Where you have lived or traveled?

Interests (inside or outside of academia)

Your career goals?

Other pertinent information

Thank you,
Professor Peter Smith
FINC 389 Section 01
Financial Management Information Systems, Spring 2017
TATE CENTER 130, 8:00-8:50 pm, Mondays, Wednesdays & Fridays

Professor: Dr. James Malm
Office: Beatty Center 330
Office hours: M & W 10:00 am-11:30 am, M & W 1:00-2:00 pm & By Appointment
Phone: 843-953-5192
Email: malmj@cofc.edu


Course Description

This course is an introduction to financial modeling. The course is designed for students planning careers in the following areas of finance: corporate finance, private equity, venture capital, investments, financial planning, banking, risk management and real estate. The main focus of the course is to link the theory of finance to real-world and usable spreadsheet models that would help financial managers with decision making in the firm. The course will examine modeling in corporate finance, fixed income securities, portfolio management, and option pricing. Students will also be introduced to optimization models as well as various forecasting and sensitivity analysis techniques.

Course Objectives

The student will learn to develop financial models in Excel and develop a practical understanding of the financial theory underlying the models. Students will also learn to use financial models and theory to address a variety of business problems and will clearly and concisely communicate their findings from the financial models.

School of Business Objectives

Consistent with the goals of the School of Business, this course includes instruction in:
Quantitative Fluency: The course requires extensive aptitude in comprehending and implementing strategies to solve practical quantitative problems. This aptitude is a readily transferable skill to other areas.
Global and Civic Responsibility: The course covers topics that require understanding of the appropriate response to legal and ethical problems and an understanding of the legal and social ramifications of financial decision making. The course requires an understanding of international implications of managerial finance.
Communication Skills: The course instructs on the ability to communicate relatively complex quantitative data and results to both financially educated and uneducated individuals.
Synthesis: Concepts from accounting, economics, and statistics will be applied throughout the course to solve financial problems. The ability to synthesize information from these disciplines and others is essential.

Prerequisites

Students should have either taken CS 102 or have the equivalent knowledge
Class Format

The class format will include classroom lectures and discussions of theoretical material as well as computer lab sessions devoted to the development of financial models in Excel. Both the classroom lectures and the computer lab sessions will be conducted in the assigned classroom.

Quizzes, Project Assignments and Exams

Quizzes and Assignments

There will be approximately 11 weekly quizzes but only 10 will count towards your grade. Each student must complete all the quizzes. The purpose of giving quizzes is to encourage you to keep up with the material. The quizzes will provide an opportunity for students to practice applying the concept learned in this course to real world situations. The quizzes will emphasize financial models and techniques previously shown in class. There will be no opportunities to make up quizzes. The content of the quizzes will be announced in class.

Team Work and Project Assignments

There will be two project assignments. These project assignments must be completed individually. The cover page for each memorandum must identify the name of the student who developed the models. For each project assignment, the student must submit the Excel file for the model as well as a narrative memorandum that summarizes the solution and explains the model. The project will provide an opportunity to practice the concepts learned in class to real world situations. You are expected to submit the assignment by the due date. Late assignments will not be accepted for grading. You should assume you are writing the memorandum to a high-level executive with limited time.

Final Exam

There will be a final exam in this course on the date scheduled by the University for the class meeting date and time. The final exam will test your knowledge of material covered in the readings, lectures, lab sessions and assignments. You are responsible for taking the final exam on the designated date.

Lecture Notes

Lecture slides and other course documents will be posted on the course website. Check the site on a daily basis in order to keep up with the course. Lecture slides are provided as an enhancement to and not a replacement for class lectures.

Grading Policy

Course grades will be determined by total points earned in the course from exams, quizzes, and class participation.

<table>
<thead>
<tr>
<th>Item</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inclass/Participation</td>
<td>5%</td>
</tr>
<tr>
<td>Quizzes (Top 10 Quizzes)</td>
<td>20%</td>
</tr>
<tr>
<td>Project 1</td>
<td>20%</td>
</tr>
<tr>
<td>Project 2</td>
<td>20%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>35%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>
Grades will be assigned as follows:

<table>
<thead>
<tr>
<th>Letter Grade</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>93-100%</td>
</tr>
<tr>
<td>A-</td>
<td>90-92.99%</td>
</tr>
<tr>
<td>B+</td>
<td>86-89.99%</td>
</tr>
<tr>
<td>B</td>
<td>83-85.99%</td>
</tr>
<tr>
<td>B-</td>
<td>80-82.99%</td>
</tr>
<tr>
<td>C+</td>
<td>76-79.99%</td>
</tr>
</tbody>
</table>

Policy on Missed Exams & Coursework

Exam attendance is mandatory, and makeup exams will only be given under extenuating circumstances. If extenuating circumstances cause you to miss an exam, then you must contact me by 5:00 pm the day following the exam; otherwise, your exam grade is zero. If you make contact, and the extenuating circumstances you describe are deemed valid, then you will be allowed to take a makeup exam. Makeup exams must be completed as soon as possible and in almost all cases, before the next exam.

Attendance Policy

Regular, on time attendance is expected for this class. Attendance will be recorded.

Center for Student Learning

I encourage you to utilize the Center for Student Learning’s (CSL) academic support services for assistance in study strategies, speaking & writing skills, and course content. They offer tutoring, Supplemental Instruction, study skills appointments, and workshops. Students of all abilities have become more successful using these programs throughout their academic career and the services are available to you at no additional cost. For more information regarding these services please visit the CSL website at [http://csl.cofc.edu](http://csl.cofc.edu) or call (843)953-5635.

Students with disabilities

The College will make reasonable accommodations for persons with documented disabilities. Students should apply at the Center for Disability Services/SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying me as soon as possible and for contacting me one week before accommodation is needed.

College of Charleston Honor Code and Academic Integrity

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Below are topics and reading assignments. You are expected to attend all classes and to arrive on time.

<table>
<thead>
<tr>
<th>Date</th>
<th>Lecture</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/11</td>
<td>1</td>
<td>Syllabus; Course Intro &amp; Overview of Financial Modeling</td>
</tr>
<tr>
<td>01/13</td>
<td>1</td>
<td>Basic Excel Operations &amp; Financial Statement Analysis</td>
</tr>
<tr>
<td>01/16</td>
<td>2</td>
<td>Martin Luther King, Jr. Holiday: NO CLASS</td>
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<tr>
<td>01/18</td>
<td>2</td>
<td>Time Value of Money: Part I</td>
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<tr>
<td>01/20</td>
<td>2</td>
<td>Time Value of Money: Part II &amp; Quiz 1</td>
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<tr>
<td>01/23</td>
<td>2</td>
<td>Amortization Table</td>
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<tr>
<td>01/25</td>
<td>3</td>
<td>Intro to Macros: User Defined Function</td>
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<tr>
<td>01/27</td>
<td></td>
<td>Quiz 2</td>
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<tr>
<td>01/30</td>
<td>4</td>
<td>Stock Valuation: Part I</td>
</tr>
<tr>
<td>02/01</td>
<td>4</td>
<td>Stock Valuation: Part II</td>
</tr>
<tr>
<td>02/03</td>
<td></td>
<td>Quiz 3</td>
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<tr>
<td>02/06</td>
<td>5</td>
<td>Capital Budgeting: Part I</td>
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<tr>
<td>02/08</td>
<td>5</td>
<td>Capital Budgeting: Part II</td>
</tr>
<tr>
<td>02/10</td>
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<td>Quiz 4</td>
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<tr>
<td>02/13</td>
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<td>Project 1: Due Feb. 13</td>
</tr>
<tr>
<td>02/15</td>
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<td>Project 1 Presentation: Part I</td>
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<td>02/17</td>
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<td>Project 1 Presentation: Part II</td>
</tr>
<tr>
<td>02/20</td>
<td>6</td>
<td>Pivot Tables: Part II</td>
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<tr>
<td>02/22</td>
<td>6</td>
<td>Pivot Tables: Part II</td>
</tr>
<tr>
<td>02/24</td>
<td></td>
<td>Quiz 5</td>
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<tr>
<td>02/27</td>
<td>7</td>
<td>Portfolio Management – 2 Asset Case: Part I</td>
</tr>
<tr>
<td>03/01</td>
<td>7</td>
<td>Portfolio Management – 2 Asset Case: Part II</td>
</tr>
<tr>
<td>03/03</td>
<td></td>
<td>Quiz 6</td>
</tr>
<tr>
<td>03/06</td>
<td></td>
<td>Spring Break: NO CLASS</td>
</tr>
<tr>
<td>03/08</td>
<td></td>
<td>Spring Break: NO CLASS</td>
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<tr>
<td>03/10</td>
<td></td>
<td>Spring Break: NO CLASS</td>
</tr>
<tr>
<td>03/13</td>
<td>8</td>
<td>Portfolio Management – N Asset Case: Part I</td>
</tr>
<tr>
<td>03/15</td>
<td>8</td>
<td>Portfolio Management – N Asset Case: Part II</td>
</tr>
<tr>
<td>03/17</td>
<td></td>
<td>Quiz 7</td>
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<tr>
<td>03/20</td>
<td>9</td>
<td>Statistical Analysis: Part I</td>
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<tr>
<td>03/22</td>
<td>9</td>
<td>Statistical Analysis: Part II</td>
</tr>
<tr>
<td>03/24</td>
<td></td>
<td>Quiz 8</td>
</tr>
<tr>
<td>03/27</td>
<td>10</td>
<td>Introduction to Option: Part I</td>
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<tr>
<td>03/29</td>
<td>10</td>
<td>Black-Scholes Option Pricing: Part II</td>
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<tr>
<td>03/31</td>
<td></td>
<td>Quiz 9</td>
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<tr>
<td>04/03</td>
<td></td>
<td>Project 2: Due Apr. 4</td>
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<tr>
<td>04/05</td>
<td></td>
<td>Project 2 Presentation: Part I</td>
</tr>
<tr>
<td>04/07</td>
<td></td>
<td>Project 2 Presentation: Part II</td>
</tr>
<tr>
<td>04/10</td>
<td>11</td>
<td>Mortgage Refinancing: Part I</td>
</tr>
<tr>
<td>04/12</td>
<td>11</td>
<td>Mortgage Refinancing: Part II</td>
</tr>
<tr>
<td>04/14</td>
<td></td>
<td>Quiz 10</td>
</tr>
<tr>
<td>04/17</td>
<td>12</td>
<td>Retirement Fund Modeling: Part I</td>
</tr>
<tr>
<td>04/19</td>
<td>12</td>
<td>Retirement Fund Modeling: Part II</td>
</tr>
<tr>
<td>04/21</td>
<td></td>
<td>Quiz 11</td>
</tr>
<tr>
<td>04/24</td>
<td>13</td>
<td>Review for Finals</td>
</tr>
<tr>
<td>05/05</td>
<td></td>
<td>Final Exams 8:00 - 11:00 AM</td>
</tr>
</tbody>
</table>
Finance 450 Section 001 (12381)
Applied Portfolio Management I
Fall 2016

Instructor  Dr. Mark K. Pyles
Class       4:00 – 5:15 TR Tate 207
Office      414 Beatty Center
E-mail      PylesM@colc.edu
Phone Number 953-7991 (Office); 513-8970 (Cell)
Office Hours 12:30 AM – 1:30 PM TR
               11:00 AM - 2:00 PM W

DESCRIPTION
This course presents an opportunity for advanced application of investment theory in a real-world environment. Course content will center on asset valuation, portfolio analysis, and active portfolio management. Investment analysis will be completed on a variety of public asset types, including equity, debt, derivatives, funds and real assets.

PREREQUISITES
Permission of the instructor. Students must apply for enrollment.

OBJECTIVES
Course Objectives
Successful completion of this course will entail the student has a working knowledge in:
- financial market operations, both domestic and global
- public asset investments valuation methods
- portfolio theory
- equity, debt, derivatives and real asset trading
- portfolio creation and performance evaluation
- understanding group dynamic
- written and verbal communication
- utilizing technological tools associated with the profession

SB Objectives
Consistent with the goals of the School of Business, this course includes instruction in:
Communication Skills: Students will extensively test their ability to effectively communicate with fellow students, instructors, and financial professionals. The nature of the course and the associated real world application of the management of funds requires students be prepared to defend their portfolio selections both internally and externally to the School and College. Students will complete numerous written and verbal reports during the course of the semester, many of which will be shared with external groups, including College leadership, financial professionals, and potential employers.
Quantitative Fluency: A high level of quantitative fluency is a necessity in the field of investments. During the course, students will apply traditional mathematical tools in firm and asset valuation and portfolio performance. In addition, students will use, to a high degree, technological tool to aid in
investment decisions. Doing so requires absorbing and organizing the mass amounts of quantitative information available.

*Global and Civic Responsibility:* Students will be asked to solve problems related to ethical dilemmas, encapsulated in problems related to the global investment environment. They will be asked to view issues through difference lenses and gain an appreciation for the complexities involved in addressing financial situations in a global economy. Students will learn to trade securities on exchanges around the world, develop an appreciation for the similarities and differences, and recognize the benefit of developing a global investment portfolio.

*Intellectual Innovation and Creativity:* Careful attention will be devoted to placing students in a position where they must utilize resourcefulness and creativity in solving problems related to investing financial assets. Questions will be asked in ways that require the students to use the materials learned in a variety of ways, rather than repeating known processes. Such flexibility in application is a necessity in successfully addressing changing investment environments. Students will be required to address situations where changing external parameters are not only possible, but expected.

*Synthesis:* This course requires knowledge from the associated disciplines of accounting, economies, math, and statistics. As such, students are expected to apply a level of proficiency in those subject areas in their understanding of financial principles and investment applications.

**COURSE MATERIALS**

*Textbook*

The course has no set textbook, but will include a large amount of reading. Initially, students are expected to read the following books related to investment and portfolio theory.

*A Random Walk Down Wall Street*

By: Burton Malkiel

*The Intelligent Investor*

By: Benjamin Graham

*Fooled by Randomness*

By: Nassim Taleb

*One Up On Wall Street*

By: Peter Lynch

*The Five Rules for Successful Stock Investing*

By: Pat Dorsey/Joe Mansuetto

In addition, numerous readings will be assigned throughout the course and will be provided by the instructor.

Finally, since this is an advanced course, a general level of knowledge related to finance is assumed. Thus, the following texts are suggested for use as supplemental reference.

*Fundamentals of Corporate Finance, 11/e*

By Ross, Westerfield, and Jordan. McGraw Hill.
By Pyles, New York: Springer Texts in Business and Economics.

Fundamentals of Investments, 7/e
By Jordan, Miller, and Dolvin, McGraw-Hill.

Calculator
Using a calculator is a natural element of investment analysis. A financial calculator with functions such as present value and internal rate of return will be used periodically throughout the class. If you buy a new one, I highly recommend the TI BA II Plus. It is inexpensive and is considered very easy to use.

Computer
Students will be expected to use their personal laptop computers at times during the course. While any computer will work, it is worth noting that the proprietary valuation model used by the program incorporates the SMF Add-in Functions, which does not work on MAC devices.

COURSE STRUCTURE
Unlike traditional courses, the students will direct most of the activity within the classroom. A typical class period will include reports from students pertaining to both their administrative role and their sector assignment. In an attempt to replicate the real world feel of an investment firm, students are expected to be prepared to discuss their position at any point when called upon to do so. In addition, each sector will be asked to present a suggested investment opportunity at least twice during the semester.

Each course will begin with a thorough examination of the existing portfolio to determine any necessary reallocations that need to be completed before making decisions regarding investment in any new asset. Each new decision will be made only after a thorough analysis of the potential asset by the sector analyst, the supervising associate portfolio manager, the student portfolio manager, and the instructor.

Each class period will begin with a discussion of the current macro conditions of the markets around the world, before then turning to the specific asset discussion at hand. There will also be class periods where it is necessary to reexamine the entire portfolio as a whole. Finally, there will be select classes where external parties will be invited to view the activities of the class period.

COURSE POLICIES
Attendance Policy
It is unquestionably expected that each student attend and participate in all class periods. Attendance will be taken randomly at the instructor’s discretion and the instructor reserves the right to include this information in determining the student’s participation in the course and the corresponding grade impact (see “Assignments”).

Rules of Conduct
This course is unique in many facets and must be respected as such. Students are accepted into the course under the assumption they have the personal drive and ability to succeed without constant prodding. There is a large degree of self-motivation that must come into play and will determine not only the student’s grade, but also what they obtain from the course.

Also of considerable concern is the fact that the collective cohort will make decisions that result in real financial gains or losses. While making money is not the primary concern of the course, it is a relevant factor and is absent in any other course at the College. This requires decisions to be made with extreme care and diligence. At any time the instructor feels a student is not doing so, the student may be removed from the decision making process.

It is critically important that everyone treats the opinions of others with respect. It is natural for opinions to differ, and questioning the conclusions of others is a necessary part of the process. However, if the criticism crosses the line from constructive to destructive, the offending source will be asked to remove themselves from the decision making process.

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**ASSIGNMENTS**
Students enrolled into the course will wear three hats. Each student will be assigned to a sector, defined by the S&P 500. Given the size of the cohort, there will be approximately two students assigned per sector. In this role, each group will be responsible for analyzing the sector, including key drivers and outlook. Each group will also be responsible for identifying a minimum of two securities within their sector they feel is a valid investment opportunity. Once identified, students will compile a complete valuation analysis of the asset and present their findings to the class for a vote.

In addition, each student will be assigned an officer role in the “investment company” that determines portfolio strategy and implementation. The roles will be determined, when at all possible, by the student’s area of strength and/or interest. However, there may remain instances where the instructor assigns a student a specific role. The responsibilities of each position differ and evaluation of the completion of these responsibilities will be determined at the subject of the instructor.

Finally, each student is expected to be an ancillary participant in all class discussions and provide constructive criticism to those presenting at any point in time. This level of contribution is a critical component to the success of the course.

**GRADING**

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector Analysis</td>
<td>10%</td>
</tr>
<tr>
<td>Asset Analysis and Presentation (2x)</td>
<td>40%</td>
</tr>
<tr>
<td>Officer Assignments</td>
<td>20%</td>
</tr>
<tr>
<td>Class Participation</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

Letter grades are assigned as follows:
- A = 90% - 100%
- B = 80% - 89%
- C = 70% - 79%
- D = 60% - 69%
- F = below 60%
### TENTATIVE CLASS SCHEDULE

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug. 23</td>
<td>Overview of the Public Investment Fund / Roundtable</td>
</tr>
<tr>
<td>Aug. 25</td>
<td>Sector Presentations / Existing Asset Presentations</td>
</tr>
<tr>
<td>Aug. 30</td>
<td>Roundtable and Sector Presentations / Existing Asset Presentations</td>
</tr>
<tr>
<td>Sept. 1</td>
<td>Asset Pitch (Portfolio Managers) &amp; Portfolio Overview</td>
</tr>
<tr>
<td>Sept. 6</td>
<td>Roundtable / Preparation for Goldman Sachs Day</td>
</tr>
<tr>
<td>Sept. 8</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Sept. 13</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Sept. 15</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Sept. 20</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Sept. 22</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Sept. 27</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Sept. 29</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Oct. 4</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Oct. 6</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Oct. 11</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Oct. 13</td>
<td>Performance Analysis and Portfolio Overview</td>
</tr>
<tr>
<td>Oct. 18</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Oct. 20</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Oct. 25</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Oct. 27</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Nov. 1</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Nov. 3</td>
<td>Event with the CFA Society SC</td>
</tr>
<tr>
<td>Nov. 8</td>
<td>Fall Break (no class)</td>
</tr>
<tr>
<td>Nov. 10</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Nov. 15</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Nov. 17</td>
<td>Sector Asset Pitch</td>
</tr>
<tr>
<td>Nov. 22</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Nov. 24</td>
<td>Thanksgiving (no class)</td>
</tr>
<tr>
<td>Nov. 29</td>
<td>Roundtable / Sector Asset Pitch</td>
</tr>
<tr>
<td>Dec. 1</td>
<td>Performance Analysis and Portfolio Overview</td>
</tr>
<tr>
<td>Dec. 13</td>
<td>Final Period (Exit and Contingency Plans)</td>
</tr>
</tbody>
</table>
Finance 451 (CRN:22281)  
Applied Portfolio Management II  
Spring 2017

Instructor: Mark Pyles  
Class: 4:00 – 5:15 TR, 218 Beatty Center  
Office: 414 Beatty Center  
E-mail: PylesM@cofc.edu  
Phone Number: 953-7991 (Office); 513-8970 (Cell)  
Office Hours: 2:00 – 3:00 PM TR, 11:00 AM - 2:00 PM W

DESCRIPTION
This course will incorporate thorough discussion of private equity as an option in actively managed portfolios. Coverage will include the private equity industry, investment strategies, valuation, and exit strategies. Topics will be examined from both the investor and firm perspective.

PREREQUISITES
Instructor permission

OBJECTIVES
Course Objectives
Successful completion of this course will entail the student has a working knowledge in:

- private equity market operations
- private equity firm operations
- investment strategies
- leveraged buyouts
- venture, growth, mezzanine, and distressed capital
- private asset valuation
- performance measurement
- exit strategies
- written and verbal communication
- utilizing technological tools associated with the profession

SB Objectives
Consistent with the goals of the School of Business, this course includes instruction in:

Communication Skills: Students will extensively test their ability to effectively communicate with fellow students, instructors, and financial professionals. The nature of the course and the associated real world application of the management of funds requires students be prepared to defend their portfolio selections both internally and externally to the School and College. Students will complete numerous written and verbal reports during the course of the semester, many of which will be shared with external groups, including College leadership, financial professionals, and potential employers.

Quantitative Fluency: A high level of quantitative fluency is a necessity in the field of investments. During the course, students will apply traditional
mathematical tools in firm and asset valuation and portfolio performance. In addition, students will use, to a high degree, technological tools, such as Excel and Morningstar Direct, to aid in investment decisions. Doing so requires absorbing and organizing the mass amounts of quantitative information available.

**Global and Civic Responsibility:** Students will be asked to solve problems related to ethical dilemmas, encapsulated in problems related to the global investment environment. They will be asked to view issues through difference lenses and gain an appreciation for the complexities involved in addressing financial situations in a global economy. Students will be required to analyze investment opportunities in private equity from both the firm and investor perspective. In addition, attention will be given to the benefit of developing a global investment portfolio of public and private assets.

**Intellectual Innovation and Creativity:** Careful attention will be devoted to placing students in a position where they must utilize resourcefulness and creativity in solving problems related to investing financial assets. Questions will be asked in ways that require the students to use the materials learned in a variety of ways, rather than repeating known processes. Such flexibility in application is a necessity in successfully addressing changing investment environments. Students will be required to address situations where changing external parameters are not only possible, but expected.

**Synthesis:** This course requires knowledge from the associated disciplines of accounting, economics, math, and statistics. As such, students are expected to apply a level of proficiency in those subject areas in their understanding of financial principles and investment applications.

**COURSE MATERIALS**

**Reading Materials**

The following texts are specific to Private Equity and are strongly suggested for the course.

**Venture Capital and Private Equity: A Casebook, 5th edition**
By Lerner, Hardymon, and Leamon, Wiley.

**Private Equity as an Asset Class, 2/e**
By Fraser-Sampson, Wiley.

**Introduction to Private Equity, 2/e**
By Demaria, Wiley.

**Private Equity: History, Governance, and Operations**
By Cendrowski, Petro, Martin, and Wadecki, Wiley.

Also, since this is an advanced course, a general level of knowledge related to finance is assumed. Thus, the following texts are suggested for use as supplemental reference.

**Fundamentals of Corporate Finance, 10/e**
By Ross, Westerfield, and Jordan. McGraw Hill.
Applied Corporate Finance: Questions, Problems, and Making Decisions in the Real World,
By Pyles, Springer Texts in Business and Economics.

Fundamentals of Investments, 7/e
By Jordan, Miller, and Dolvin, McGraw-Hill.

Calculator
Using a calculator is a natural element of investment analysis. A financial calculator with functions such as present value and internal rate of return will be used periodically throughout the class. I highly recommend the TI BA II Plus.

Computer
Students will be expected to use their personal laptop computers at times during the course. While any computer will work, it is worth noting that it is also critical that students have access to our valuation model, which runs through Windows-based Excel.

COURSE STRUCTURE
The course will be taught in a variety of ways. The basic format of each period will be group oriented and will focus on specific topics in private equity and general portfolio management. Many of the class periods will include guest lecturers from the professional world. In addition, the course will consider real-life investment opportunities in the world of private equity and students will have the opportunity to consider investment via the real money funds associated with the SB Investment Program.

Also, while the focus of the course is on learning and implementing private equity analysis, the responsibility also remains of maintaining the public equity funds associated with the SB Investment Program. Thus, we will dedicate approximately 30% of the class time to this pursuit. Having learned the mechanics of public asset investment in previous courses, attention to that aspect of the course will focus solely on management of the funds in the public asset account.

COURSE POLICIES
Rules of Conduct
This course is unique in many facets and must be respected as such. Students are accepted into the course under the assumption they have the personal drive and ability to succeed without constant prodding. There is a large degree of self-motivation that must come into play and will determine not only the student’s grade, but also what they obtain from the course.

Also of considerable concern is the fact that the collective cohort will make decisions that result in real financial gains or losses. While making money is not the primary concern of the course, it is a relevant factor and is absent in any other course at the College. This requires decisions to be made with extreme care and diligence. At any time the instructor feels a student is not doing so, the student may be removed from the decision making process.
It is critically important that everyone treats the opinions of others with respect. It is natural for opinions to differ, and questioning the conclusions of others is a necessary part of the process. However, if the criticism crosses the line from constructive to destructive, the offending source will be asked to remove themselves from the decision making process.

Honor Code
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Incidents where the instructor determines the student’s actions are related more to a misunderstanding will handled by the instructor. A written intervention designed to help prevent the student from repeating the error will be given to the student. The intervention, submitted by form and signed both by the instructor and the student, will be forwarded to the Dean of Students and placed in the student’s file.

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Research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the instructor.

Students can find the complete Honor Code and all related processes in the Student Handbook at http://studentaffairs.cofc.edu/honor-system/studenthandbook/index.php

Students with Disabilities
The College will provide reasonable accommodations for persons with documented disabilities. Students should apply at the Center for Disability Services/SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying me as soon as possible and for contacting me one week before accommodation is needed.
ASSIGNMENTS

Generally
The course is designed as though operating as an investment company. As such, each student will be assigned an officer role in the company, which has the ultimate objective of determining portfolio strategy and implementation. The responsibilities of each position differ and evaluation of the completion of these responsibilities will be determined by the subject of the instructor. The instructor will conduct a performance evaluation no less than twice during the semester and the result of those reports will comprise 20% of the student’s grade. In addition, each student is expected to be an ancillary participant in all class discussions and provide constructive criticism to those presenting at any point in time. This level of contribution is a critical component to the success of the course and, as such, will carry a 20% weighting in the grade.

Private Equity Component
Each student will carry two responsibilities related to private equity in the course. First, each student will be responsible (in small groups) for doing a complete write-up on at least one of the case studies and present this study to the class for discussion. Also, students (in small groups) will be assigned analysis of real-life investment opportunities in private equity (likely through angel investor groups). They must complete these analyses and present to the class, along with a recommendation for investment. The class will then decide as a whole whether to pursue investment. In total, this will comprise 40% of the student’s final grade.

Public Equity Component
Each student will be assigned to a sector, defined by the S&P 500, to cover for the public equity portfolio. Given the size of the cohort, there will be approximately two students assigned per sector. In this role, each group will be responsible for analyzing the assets under management for the public portfolio and continually monitor for needed adjustment. This will comprise the remaining 20% of the semester grade.

GRADING

<table>
<thead>
<tr>
<th>Component</th>
<th>%</th>
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<tbody>
<tr>
<td>Case Studies</td>
<td>20%</td>
</tr>
<tr>
<td>Private Equity Asset Analysis</td>
<td>20%</td>
</tr>
<tr>
<td>Administrative Performance</td>
<td>20%</td>
</tr>
<tr>
<td>Public Equity Sector Coverage</td>
<td>20%</td>
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<tr>
<td>Class Participation</td>
<td>20%</td>
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<tr>
<td>Total</td>
<td>100%</td>
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</tbody>
</table>

Letter grades are assigned as follows:
A = 90% - 100%
B = 80% - 89%
C = 70% - 79%
D = 60% - 69%
F = below 60%
### TENTATIVE CLASS SCHEDULE

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
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</thead>
<tbody>
<tr>
<td>Jan. 12</td>
<td>Review of Public Fund Activities and Class Introduction</td>
</tr>
<tr>
<td>Jan. 17</td>
<td>Public Asset Fund Pitch (1)</td>
</tr>
<tr>
<td>Jan. 19</td>
<td>Introduction to Private Equity (Dr. Pyles)</td>
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<tr>
<td>Jan. 24</td>
<td>Public Asset Fund Pitch (2)</td>
</tr>
<tr>
<td>Jan. 26</td>
<td>Overview of Angel Capital Investment (Will and PE Analysts)</td>
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<td>Jan. 31</td>
<td>Angel Capital Investment</td>
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<td></td>
<td><em>Guest Speaker: John Osborne (Executive Administrator, Charleston Angel Partners)</em></td>
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<tr>
<td>Feb. 2</td>
<td>Overview of Potential Investment Opportunities from CHAP (Will and PE Analysts) – Following this, the Opportunities will be assigned to groups.</td>
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<tr>
<td>Feb. 7</td>
<td>Public Asset Fund Pitch (3)</td>
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<tr>
<td>Feb. 9</td>
<td><strong>Raymond James Day III</strong></td>
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<tr>
<td>Feb. 14</td>
<td>Early-Stage Growth Investment</td>
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<td><em>Guest Speaker: Wiley Becker (Partner, Alerion Ventures)</em></td>
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<tr>
<td>Feb. 16</td>
<td>Angel Investment Opportunity Analysis Presentation (1)</td>
</tr>
<tr>
<td>Feb. 21</td>
<td>Public Asset Fund Pitch (4)</td>
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<tr>
<td>Feb. 23</td>
<td>Angel Investment Opportunity Analysis Presentation (2)</td>
</tr>
<tr>
<td>Feb. 28</td>
<td>Public Asset Fund Pitch (5)</td>
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<tr>
<td>Mar. 2</td>
<td>Angel Investment Opportunity Analysis Presentation (3)</td>
</tr>
<tr>
<td>Mar. 7</td>
<td>Spring Break (No Class)</td>
</tr>
<tr>
<td>Mar. 9</td>
<td>Spring Break (No Class)</td>
</tr>
<tr>
<td>Mar. 14</td>
<td>Public Asset Fund Pitch (6)</td>
</tr>
<tr>
<td>Mar. 16</td>
<td>Angel Investment Opportunity Analysis Presentation (4)</td>
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<tr>
<td>Mar. 21</td>
<td>Leveraged Buyout</td>
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<td><em>Guest Speaker: TBD</em></td>
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<tr>
<td>Mar. 23</td>
<td>Angel Investment Opportunity Analysis Presentation (5)</td>
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<tr>
<td>Mar. 28</td>
<td>Public Asset Fund Pitch (7)</td>
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<tr>
<td>Mar. 30</td>
<td><strong>GAME Forum Trip in NYC (No Class)</strong></td>
</tr>
<tr>
<td>Apr. 4</td>
<td><strong>Preparation for the CofC Strategic Investment Symposium</strong></td>
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<tr>
<td>Apr. 6</td>
<td>Later-stage Growth Investment</td>
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<td></td>
<td><em>Guest Speaker: Richard Maclean (Partner, Frontier Capital)</em></td>
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<tr>
<td>Apr. 11</td>
<td>Public Asset Pitch (8)</td>
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<tr>
<td>Apr. 13</td>
<td>Private Equity from the Entrepreneurs Perspective</td>
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<td></td>
<td><em>Guest Speakers: Steve Swanson (Inside Director, Snapcap)</em></td>
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<tr>
<td>Apr. 18</td>
<td>Angel Investment Opportunity Analysis Presentation (6)</td>
</tr>
<tr>
<td>Apr. 20</td>
<td>Public Asset Pitch (9)</td>
</tr>
<tr>
<td>Apr. 25</td>
<td>Public Asset Pitch (10)</td>
</tr>
<tr>
<td>Apr. 28 (FIN)</td>
<td>Portfolios Year-End Summary</td>
</tr>
<tr>
<td></td>
<td><strong>addendum</strong></td>
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</table>
Other Dates of Note:

Call for Applications for 2017-2018 Investment Society: 1/15/2017

CHAP Meetings: 1/18/2017, 2/15/2017, 3/15/2017, 4/19/2017, and 5/1/2017

GAME Forum: 3/29/2017 – 4/1/2017

CofC Strategic Investment Symposium: 4/7/2017 – 4/8/2017
HTMT 351, Hotel Management, Spring Semester 2016

Instructor Information:
Dr. Brumby McLeod, Assistant Professor
College of Charleston
School of Business
Department of Hospitality & Tourism Management
Beatty, Room 326
843-708-8814 (mobile)
mcleodb@cofc.edu (email)

Course Catalog Description:
This course examines hotel and resort management issues emphasizing general management, service, sales, forecasting, financial aspects, rate efficiencies, labor management and guest relations. See the Course Overview below for details.

Class Time and Location:
HTMT 351-01 (20583): Monday, Wednesday, and Friday from 1300 to 1350 PM, Tate 131

Office hours:
Monday and Wednesday from 1000 to 1200

Prerequisites:
HTMT 210 & Junior Status (60 credit hours)

Required Textbook:
None

OAKS:
The learning management system OAKS (a.k.a. Desire 2 Learn) is heavily utilized in this course. Grades, general communication, electronic documents, assignments, discussions, and exams are managed on this platform throughout the semester. Please develop a habit of checking the course management software frequently. Your current grade is also maintained in this system. An overview about my use of OAKS will be provided within the first few class sessions.

Course Overview:
This course is organized around four content modules: (1) Industry Overview, (2) Sales & Marketing, (3) Lodging Operations, (4) Fiscal Matters.

My course instruction style utilizes lectures, exercises, guest speakers, discussions, assignments, and exams. The typical class will consist of a lecture and discussion about a current topic with extensive supplements from industry. Resources and materials will be shared from industry organizations such as the American Hotel & Lodging Association (AHLA), Smith Travel Research (STR), the World Tourism Organization (WTO), Travel Industry Association (TIA), Hospitality Valuation Services (HVS) and numerous industry publications such as Lodging and Hotel Business. These supplementary materials are critical to the learning experience.

The notes from the lectures will NOT be provided to students. Students are required to attend and participate in class discussion to acquire the necessary materials for success in the course. exercises are used to expand beyond the classroom, to promote attendance, and to demonstrate understanding of the material. Assignments are benchmark your learning, demonstrate application of the material, improve retention, and migrate beyond the classroom. Students are highly encouraged to maintain a 3-ring binder with reading materials, class notes, exercises and assignments. Strong organization will assist for exams as they are open note.
School of Business Learning Goals:

All of the Business Learning Goals listed below are addressed in this course via assignments and exercises.

Communication Skills—students demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner.

Quantitative fluency—students demonstrate competency in logical reasoning and data analysis skills.

Global and civic responsibility—students identify and define social, ethical, environmental and economic challenges at local, national and international levels. Students integrate knowledge and skills in addressing these issues.

Intellectual innovation and creativity—students demonstrate their resourcefulness and originality in addressing extemporaneous problems.

Synthesis—students integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks.

Learning Outcomes:

During classroom discussions students will incorporate key operating ratios, traditional hotel classifications, common hotel design features, typical organization structures, and other lodging terminology to demonstrate their knowledge about the industry.

Throughout the course, students will calculate key operating ratios through repetitive practice and discussion. This ability will be enhanced by openly discussing challenges associated with using these ratios to compare properties and organizations.

Students will be able to diagram and describe the traditional reservation system utilized by lodging organizations, distinguish key differences in transient versus group reservations, and prepare and explain a simple and adjusted room forecast. Students will understand the distribution network and systems necessary to sell room inventory and the pros, cons, market segments, and consumer behaviors attributed to the various distribution channels.

Students will recognize the importance of quality in lodging operations by learning to identify, categorize, inspect, and measure key characteristics regarding products and services. Students will be able to comfortably identify guest needs by developing a service blueprint of a typical stay from search to future stays.

Students will be able to articulate the importance of room rates and their importance in the hotel revenue cycle. Through lectures and discussions, students will be exposed to key concerns regarding these processes.

Students will learn to develop and narrate an operating budget. In addition, students will be able to modify assumptions to the budget and describe their impact on the P&L statement. Students will learn to exam and P&L statement and recognize the type of hotel, departmental expenses, margins, and key operating ratios.
Exercises:
Exercises are provided to practice, reinforce, and detail concepts discussed in lectures. The concepts and problems from the exercises are included on the exams. Approximately, twelve exercises will be given during the course for a combined value of 20% of your overall grade; the two lowest will be dropped. There are no make-ups or excused absences for exercises.

Assignments:
Three assignments are required during the course; details are provided in OAKS at the appropriate time. Each assignment takes several weeks to complete. They require extensive application of the material discussed in class. The first assignment is a hotel property profile. The second assignment is a market analysis. The third assignment is the creation and narration of an operating budget. The assignments are worth 10% each for a combined 30% of your overall grade.

Exams:
There are two exams in this course: a mid-term and a comprehensive final exam. The first is worth 20% the second exam is worth 30%.

Grade Determination:

| Exercises | 20% |
| Assignments | 30% |
| Mid-term Exam | 20% |
| Final Exam | 30% |

Grading Scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>94 or above</td>
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<tr>
<td>A-</td>
<td>90 - 93</td>
</tr>
<tr>
<td>B</td>
<td>80 - 82</td>
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<tr>
<td>B-</td>
<td>70 - 72</td>
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</table>

Disability Services:
This College abides by section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act that stipulates no student shall be denied access to an education "solely by reason of a handicap." Disabilities covered by law include, but are not limited to, learning disabilities and hearing, sight or mobility impairments. If you have a documented disability that may have some impact on your work in this class and for which you may require accommodations, please contact an administrator at the Center of Disability Services, (843) 953-1431 and me so that such accommodation may be arranged.

Center for Student Learning:
I encourage you to utilize the Center for Student Learning's (CSL) academic support services for assistance in study strategies, speaking & writing skills, and course content. They offer tutoring, Supplemental Instruction, study skills appointments, and workshops. Students of all abilities have become more successful using these programs throughout their academic career and the services are available to you at no additional cost. For more information regarding these services please visit the CSL website at [http://csl.cofc.edu](http://csl.cofc.edu) or call (843) 953-5635.

Honor Code and Academic Integrity:
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.
HTMT 351, Hotel Management, Spring Semester 2016

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Classroom Lecture Schedule:

<table>
<thead>
<tr>
<th>Module I: Industry Overview</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Syllabus and Introduction</td>
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<tr>
<td>Student Introductions</td>
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<tr>
<td>History of the American Hotel</td>
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<tr>
<td>Great Hoteliers</td>
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<tr>
<td>A-1, Hotel Property Profile</td>
<td></td>
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<tr>
<td>The Hotel Business</td>
<td></td>
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<tr>
<td>Key Performance Indicators (Occ, ADR, RevPAR)</td>
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<tr>
<td>Revenue Management</td>
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</table>

<table>
<thead>
<tr>
<th>Module II: Sales, Marketing, &amp; Distribution</th>
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<tbody>
<tr>
<td>Management Contracts</td>
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<tr>
<td>Room Inventory Management</td>
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<td>Distribution Channels</td>
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<tr>
<td>Competitor Analysis (STAR Reports and Competitive Sets)</td>
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<tr>
<td>Market Segments</td>
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<tr>
<td>A-2, Accommodation Market Analysis</td>
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*Mid-term Exam, online after class on 2/29/2016 but before class on 03/04/2016*

<table>
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<tr>
<th>Module III: Operations</th>
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<tr>
<td>Organizational Structure</td>
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<td>Human Resources</td>
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<td>Front Office Management</td>
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*Final Exam, online between 4:00 and 7:00 PM on 04/29/2016*
President Glenn McConnell  
College of Charleston  
66 George Street  
Charleston, SC 29424  

Dear President McConnell,

As you know, I have been a supporter of the Carter Real Estate Center and the commercial real estate program at the College of Charleston for many, many years. I am very interested in seeing the program that Dr. Worzala has developed come to fruition. We have worked to provide a set of courses that will provide the students with enough background in commercial real estate so that they will be to be effective when they graduate from College. The advanced courses will provide the students with needed specialized skills in real estate including ARGUS, CoStar, Excel modeling skills and others so that they will be ready to work and effective on the job as soon as they are hired. This will make them very marketable in the extremely competitive world for jobs in the commercial real estate industry.

The proposed curriculum includes 18 credits of real estate specific courses. It is what our industry needs and wants. We do not want to have to train our new hires in the fundamentals of real estate. Commercial real estate is far too complicated, complex and expensive for students to learn on the job. There is a current dearth of talent in entry level positions, not only in the Charleston region but also in the rest of the Southeast (including Atlanta, Charlotte and Jacksonville). In addition, for students interested in working on a national or international basis there are jobs available in that area as well.

I have also had several interns over the past several years and I believe strongly that the curriculum that is being proposed will make the students better prepared to work for a company like mine. The students had been exposed to real estate but I would have liked them to have had a deeper knowledge and more exposure with all the different types of real estate as well as all the different disciplines that impact a real estate investment or development including financial, markets, political, legal, financial, accounting, to name a few of the topics that will be covered in the proposed major. In addition, by being able to start taking real estate courses as a Freshman, those students interested in commercial real estate from Day One can get involved early on and build their network as they attend the College.

Finally, as you probably know, two of my children graduated from the College and although I believe their education was good, if there had been a real estate major available to them while they were there, I believe they would have benefitted greatly. Thank you for your time and if you have any questions or would like to discuss the need for this major, please do not hesitate to call.

Sincerely,

Ben Carter  
Carter Enterprises
From: Beau Tiller [mailto:beau.tiller@llr.sc.gov]
Sent: Thursday, March 16, 2017 9:30 AM
To: Kimberly Walker <kwalker@che.sc.gov>
Subject: Commercial Brokerage License

Dear Kimberly:

In response to your inquiry, the South Carolina Real Estate Commission does not issue a separate real estate broker, sales, or property manager license for individuals specifically practicing commercial real estate. These individuals have to obtain one of the above licenses to practice real estate but the Commission does not separate residential and commercial real estate practitioners. Most of the real estate licensees who do elect to practice commercial real estate take additional commercial real estate courses though outside course providers who offer specialized courses that enhance their commercial real estate skills and knowledge.

I hope this information is helpful to you.

Respectfully,

Beau Tiller
Education Manager
I don’t have a Real Estate license in SC or in any other state, how do I get licensed?

All applicants must be over the age of 18 and have a high school diploma (or certificate of equivalency), and be lawfully present and eligible to work in the United States. If you have a law degree or a four year baccalaureate degree from a higher education institution with a major in real estate, you do not have to take pre-licensing courses for any license type, or meet the experience requirements for Broker qualification. A transcript can be accepted and reviewed to authorize you to apply for the Sales, Broker or Property Manager examination.

- **Salesperson license**: You must complete the Commission approved pre-licensing Course (60 hours - Unit I Sales) then apply to take the SC Real Estate Sales examination. Before you apply for a license you will also need to complete an additional Unit II: Advanced Real Estate Principles course (30-hours). Passing Score sheets and proof of completion of the Unit II course must be submitted with your licensure application.

- **Broker license**: You must have three (3) years of “Active” licensed salesperson experience within the last five (5) years prior to attempting to qualify for a broker license. You must complete the Commission approved Broker IIIA and IIIB pre-licensing courses (60 additional hours) then apply to take the SC Real Estate Broker Examination. After passing the examination, you can submit a Broker application with passing score sheets. Post examination applications will be provided by the exam provider PSI. A broker qualified applicant can also apply to become a Broker in Charge and establish an office under their supervision.

- **Property Manager license**: You must complete the Commission approved Property Management (30 hours) pre-licensing course then apply to take the South Carolina Property Manager Exam. After passing the examination, you can submit an application for a Property Manager or Property Manager in Charge license. Property Manager in Charge applicants must also complete a 7 hour PMIC class prior to issuance of a an “in Charge” license. Post examination applications will be provided by the exam provider PSI.


I’m a licensed Real Estate Salesperson or Broker in another jurisdiction, how do I get licensed in SC?

SCREC recognizes the qualifications of licensees of other jurisdiction, however one must still must apply for and take the SC portion of the real estate examination (and if applying to become a broker, meet the 3 years actively licensed sales experience requirements). With your examination application, you will need to submit certification(s) of licensure from any jurisdiction(s) in which you have held licensure in the last 5 years. You must also have been licensed within 6 months prior to SC Application.


Do I have to give SCREC a copy of my Social Security Card?

Yes, our agency requires that we receive and verify social security numbers through a copy of the social security card prior to issuing any license for any licensing Board.

Where do I get a criminal background check?

[http://llr.sc.gov/recheck](http://llr.sc.gov/recheck)

I don’t have a Broker in Charge/Property Manager in Charge to supervise me or a company to work for. Can I get licensed now and seek employment later?

Yes, you will need to indicate that you don’t have a supervising broker/office code on your license application where it asks for BIC/PMIC office information and signature. You will be licensed but placed in “inactive” status until you activate under a supervising in charge licensee. If a provisional salesman, you still will be required to complete post-licensing education and upgrade prior to expiration of your license.
How many hours of Continuing Education do I have to take?

- Eight (8) hours biennially if a SC resident licensee. 4 hours must be the core mandatory course and 4 hours must be electives.
  - For those renewing in 2018, the CE requirements will be increased to 10 hours with a 4 hour mandatory core course, and 6 hours of electives. Brokers in Charge will have to take a mandatory BIC Responsibility 4 hour course in addition to the core course, and will only have to take 2 hours of electives.
- If you are a non-resident and licensed in your resident jurisdiction, you have to meet the CE requirements of your resident state.
- If you have 25 you may submit a request for Partial Continuing Education Exemption. If you meet the experience requirements based upon licensure in another jurisdiction, we will need you to obtain and submit certifications of licensure history.
- If you are active duty military, you are exempt from CE while on active service.

How do I place my license in Inactive Status?

Document #200

How do I re-activate my license?

Document #210

How do I transfer my license to another office?

Document #200 or click the “Online Transfer” menu link on the SCREC webpage under Licensure Information, login and complete online.

How do I change my personal name or address?

Document #190 or for address changes, click the “Change Your Address” menu link on the SCREC webpage under Licensure Information, login and complete online.

I’m an “in-charge” licensee, how do I change my Office/Company Name or Address?

Document #180

How can I put my license in “Referral” status?

There is no referral status recognized by the South Carolina Real Estate Commission. Your status is either “Active” or “Inactive”. Inactive licensees should not perform activities requiring real estate licensure including soliciting a referral fee. A Broker in Charge may at their discretion create a “referral” only limited service office for supervision of licensees who are not engaging in sales or other licensed real estate activities

Can I pay a referral fee to an unlicensed person?

Soliciting a referral fee requires real estate licensure. S.C. Code 40-57-145(A)(11) says it is a violation for a licensee who “pays a commission or compensation to an unlicensed individual for activities requiring a license under this chapter. Notwithstanding this section, a licensee may not pay or offer to pay a referral fee or finder’s fee to an unlicensed individual that is not a party in the real estate transaction.”

Unlicensed Employees may not negotiate or agree to compensation based upon the listing, sales or rental of a property. A resident licensee may pay a portion of their commission to a licensee of another jurisdiction on a cooperative basis if the licensee does not perform real estate activities requiring licensure in South Carolina.

How do I get a Partial Continuing Education Exemption?
You must have 25 years of licensed experience. The Partial CE Exemption request form can be found at

How do I get standard contracts and forms to use in real estate transactions?
The SCREC only creates the South Carolina Residential Property Disclosure Statement and Addendum, the
Disclosure of Agency Relationships, the Offer Rejection Form, the Designated Agency Agreement and Dual Agency
Agreement forms. These can be found on the main SCREC Page at http://llronline.com/POL/REC/index.asp

I have a criminal conviction. Can I get a South Carolina real estate license?
A criminal record does not in itself prevent you from being able to be licensed. Certain convictions are grounds for
denial of licensure and will require that you appear before the Commission for an Application Hearing. You must
complete pre-licensing requirements and submit an application for examination or licensure before a
determination can be made as to whether your licensure can be approved by the Administrator, or if it will require
an appearance before the Commission for a hearing.

I’m an “In-Charge” licensee, how do I remove someone from my supervision/office?
Please send us a signed letter indicating the names and license numbers identifying the individuals you wish to
remove from your supervision. You may email a scanned copy to Contact.REC@llr.sc.gov.

How can I study/prepare for the Real Estate Exam?
Here are links to the SC PSI Exam Candidate Information Bulletins which covers an outline of exam topics.

- Salesman or Broker Exam: https://candidate.psiexams.com/bulletin/display_bulletin.jsp?ro=yes&actionname=83&bulletinid=100&bulletinurl=.pdf
- Property Manager Exam: http://llronline.com/POL/REC/RECPDF/PSI_Property%20Manager.pdf

Where do I find the classes I need to take before taking the Real Estate Exam?
Document #150 and Document #140

How can I get a certification of licensure history?
Document #741 or login through the following link and request a license verification to be sent to the address
selected. There is a $5 fee.

All information, applications and forms can be found at:
http://llronline.com/POL/REC
From: Jones, Patricia [mailto:pjones@moore.sc.edu]
Sent: Monday, March 27, 2017 8:50 AM
To: Svihla, Alise <Alise.Svihla@moore.sc.edu>; Kimberly Walker <kwalker@che.sc.gov>
Subject: RE: Post‐graduation Employment‐ Real Estate BSBAdmin

Good morning and thank you Alise.

Ms. Walker—
Good morning. Thank you for your patience with this information. We do collect placement data for the undergraduate business majors each May. Please let me know if you have additional questions.

Here is the May 2016 placement data on the Real Estate students that reported their information and noted real estate as their primary major.

Of the students that reported their information, we had 100% placement in full time positions.  
Average salary $45,000

Thank you—
Trish Jones

From: Svihla, Alise
Sent: Wednesday, March 22, 2017 10:45 AM
To: Kimberly Walker <kwalker@che.sc.gov>
Subject: RE: Post‐graduation Employment‐ Real Estate BSBAdmin

Good morning,

Trish Jones actually handles all of the data collection and reporting for our office. She is out of the office for the remainder of the week, but will return on Monday, March 27th. I will forward your email to her and she will get back to you when she returns next week.

Thank you and have a great day!

Alise

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**Alise Svihla**
Manager, Undergraduate Career Services
Office of Career Management
Darla Moore School of Business
1014 Greene Street • Columbia, SC 29208
O: 803-777-2868
Good morning Ms. Svihla,

I am following up to a voicemail that I left for Ms. Trish Jones regarding the post-graduation employment rates of real estate majors in the BSBAadmin program. I was directed to contact this office by Mr. Brian Shelton. I would like to know (a) if your office tracks post-graduation employment for this major and (b) if you do, what is the current major related post-graduation employment percentage for your real estate majors. Any information you could provide would be greatly appreciated.

Thank you,

Kimberly Young Walker, PhD
Academic Program Manager
Academic Affairs
South Carolina Commission on Higher Education
1122 Lady Street
Columbia, SC 29201
803.737.3217
www.che.sc.gov
From: Shelton, Brian [mailto:bkshelto@moore.sc.edu]
Sent: Friday, March 17, 2017 3:11 PM
To: Kimberly Walker <kwalker@che.sc.gov>
Subject: RE: BSBAadmin Real Estate Major

Good afternoon:

Thank you for your email. Real Estate is one of our 9 majors and is not at capacity. Currently it is one of our smaller majors but seems to be gaining some interest over the last semester or two. Our office does not track post-graduate employment; I would suggest contacting the Moore School Office of Career Management at 803-777-0149.

Thank you,
Brian

From: Kimberly Walker [mailto:kwalker@che.sc.gov]
Sent: Friday, March 17, 2017 12:35 PM
To: Shelton, Brian <bkshelto@moore.sc.edu>
Cc: Argentini Anderson <aanderson@che.sc.gov>; John Lane <ilane@che.sc.gov>
Subject: BSBAadmin Real Estate Major

Good afternoon Brian,
I hope this email finds you well. I am currently conducting academic program research for the commission. I would like to know if the BSBAadmin Real Estate major program is at capacity? Do you track your student’s employment post-graduation with an alumni survey or similar instrument? If so, is that information available for the 2015-2016 academic year?

Thank you for assistance.

Kindly,
Kimberly Young Walker, PhD
Academic Program Manager
Academic Affairs
South Carolina Commission on Higher Education
1122 Lady Street
Columbia, SC 29201
803.737.3217
www.che.sc.gov
Overview

The business administration curriculum allows sufficient flexibility for adaptation to a student's particular interests and goals. A minimum of 122 hours is required for the B.S. degree in all majors except accounting, which requires 125 hours, and international business, which requires a minimum of 128 hours. They are divided between courses in business administration and general education courses in English, history, foreign languages, natural and behavioral sciences, and other disciplines. All business administration students are required to earn 40 hours in a common core sequence of business subjects. The major field for all majors except accounting and international business* requires 12 - 21 hours beyond the common core. If a major requires only 12 hours, then a minimum of 9 additional hours of advisor-approved course work in business/economics must be completed. A minimum of 18 credit hours in additional directed general education and/or business courses is required.

The school has developed options designed to complement core and major requirements. Information and assistance in the development and selection of options are available through the advising facilities of the school.

*The accounting major requires 24 hours. International business requires a second major in business. International business majors range from 27 to 36 hours, depending on the double major selected.

Learning Outcomes

- Students will understand the importance and role of real estate in local and national economies.
- Students will be able to identify key driving forces of the real estate market.
- Students will be able to analyze real estate investment cash flows and make real estate investment decisions based on net present value or the internal rate of return.
- Students will understand and be able to analyze mortgage contracts taking the perspective as a borrower, a lender, and an investor.
- Students will be able to understand the basic trade-off in debt versus equity finance in real estate.
- Students will be able to understand the basics of securitization and be able to analyze simple mortgage-backed securitization deals.
Degree Requirements (122 Hours)

Major Requirements (61 Hours)

See Moore School of Business for entrance requirements, progression requirements, and other regulations.

1. Carolina Core Hours (31-42 Hours)
2. Darla Moore School of Business General Education Hours (3-10 Hours)
3. Communication (Included in General Education Requirements)
4. Real Estate (12-15 Hours)
5. Optional Business Analytics Concentration (12 Hours)
6. Internationalization Requirement (9 Hours)
7. Minor or Directed Course Work (minimum of 18 Hours)

1. Carolina Core Plus General Education Requirements

CMW: Carolina Core Effective, Engaged and Persuasive Communication: Writing (6 Hours)

- ENGL 101 - Critical Reading and Composition
- ENGL 102 - Rhetoric and Composition

ARP: Carolina Core Analytical Reasoning and Problem-Solving (6-8 Hours)

- MATH 122 - Calculus for Business Administration and Social Sciences or MATH 141 and
- STAT 206 - Elementary Statistics for Business

SCI: Carolina Core Scientific Literacy

- Two approved Carolina Core Scientific Literacy courses including one laboratory course

GFL: Global Citizenship and Multicultural Understanding: Foreign Language (0-8 hours)

- Students shall demonstrate in one Foreign Language the ability to comprehend the topic and the main ideas in written and, with the exception of Latin and Ancient Greek, spoken texts on familiar subjects. This ability can be demonstrated by achieving a score of two or better on a USC foreign language test. Those failing to do so much satisfactorily complete equivalent study of foreign language at USC.

GHS: Carolina Core Global Citizenship and Multicultural Understanding: Historical Thinking

- Any approved Carolina Core History course

GSS: Carolina Core Global Citizenship and Multicultural Understanding: Social Sciences (3 Hours)
AIU: Carolina Core Aesthetic and Interpretive Understanding (3 Hours)

• Any approved Carolina Core Aesthetic and Interpretive Understanding course

CMS: Carolina Core Effective, Engaged, and Persuasive Communication: Speech (3 hours)

• Any approved Carolina Core Speech course

INF: Carolina Core Information Literacy (0-3 Hours)

• This requirement may be met in an overlay course that combines learning outcomes from two Carolina Core components

VSR: Carolina Core Values, Ethics, and Social Responsibility (3 hours)

• Any approved Carolina Core Values, Ethics, and Social Responsibility course. This requirement may be met in an overlay course that combines learning outcomes from two Carolina Core components.

Other Required General Education Courses for the Darla Moore School of Business (3-10 Hours)

Additional DMSB general education courses may be required if student exempts the foreign language requirement and/or the student chooses coursework which can fulfill both stand-alone and overlay requirements of Carolina Core components. (up to 10 hours).

Other Required General Education Courses (con't)

Those credit hours must be replaced with elective credits (minimum of 6 credits). A third elective is required to reach graduation hours, and students are strongly encouraged to take a business section of UNIV 101 to fulfill this elective (3 credits).

2. Business Core (40 Hours)

• MGSC 290 - Computer Information Systems in Business
• MGSC 291 - Statistics for Business and Economics
• MGSC 395 - Operations Management
• ACCT 225 - Introduction to Financial Accounting
• ACCT 226 - Introduction to Managerial Accounting
• ACCT 324 - Survey of Commercial Law
• MGMT 250 - Professional Communication
• MGMT 371 - Principles of Management
• MGMT 478 - Strategic Management
• MKTG 350 - Principles of Marketing
• FINA 363 - Introduction to Finance
• BADM 301 - Business Careers in the Global Economy
• ECON 221 - Principles of Microeconomics
3. Communication (Included in General Education Requirements)

4. Real Estate (15 Hours)

FINA 366 - Introduction to Real Estate and Urban Development

Credits: 3

Real estate analysis and administration; basic principles, concepts, terminology, and institutional factors related to real estate decisions in the urban environment. This course fulfills a pre-examination requirement of the South Carolina Real Estate licensing law (30-hour approved course).

Prerequisites: FINA 363

Three of the following courses: (9 Hours)

FINA 367 - Real Estate Market Analysis

Credits: 3

Concepts, methodologies, and analytical tools used in urban real estate analysis.

Prerequisites: FINA 366

FINA 466 - Real Estate Investment Fundamentals

Credits: 3

Analysis and decision-making; return and risk; financing; tax implications; pricing and investment strategies.

Prerequisites: FINA 366 or FINA 469
FINA 467 - Real Estate Finance

Credits: 3

The nature and importance of credit in real estate development and operations; legal framework, sources of mortgage funds, role of public and private financial institutions.

Prerequisites: FINA 366 or FINA 469

FINA 468 - Real Estate Appraisal

Credits: 3

Traditional appraisal concepts and methodologies; appraisal process, real property analysis.

Prerequisites: FINA 366

ECON 500 - Urban Economics

Credits: 3

An analysis of economic forces affecting urbanization and the economic processes influencing urban form and structure. Spatial concepts are considered in addition to traditional micro-economic and macro-economic concepts. Topic coverage includes: the economic origin of cities; urban functions and the urban economic base, land-use structure and urban form, and urban efficiency.

Prerequisites: ECON 221 and 222, or ECON 224

GEOG 344 - Geographies of American Cities

Credits: 3

Overview of the development of American cities from industrial period to the
One of the following courses: (3 Hours)

FINA 365 - Corporate Financial Analysis

Credits: 3

Analysis of business investment and financing decisions.

Prerequisites: FINA 363

FINA 469 - Investment Analysis and Portfolio Management

Credits: 3

Conceptual and analytical framework for formulating investment policies, analyzing securities, and constructing portfolios.

Prerequisites: FINA 363

FINA 470 - Financial Statement Analysis

Credits: 3

This course focuses on the analysis of financial statements for profitability and risk assessment and for firm and segment valuation.

Cross-listed Course: ACCT 470

Prerequisites: ACCT 225 and 226 and FINA 363
5. Optional Business Analytics Concentration (12 Hours)*

Required Course (3 Hours): MGSC 394 - Data Analytics for Business

Choose 9 Hours from the list below:

- ACCT 404 - Accounting Information Systems I
- ECON 436 - Introductory Econometrics
- FINA 444 - Corporate Risk Management
- FINA 469 - Investment Analysis and Portfolio Management **
- FINA 472 - Student-Managed Investments
- IBUS 401 - International Financial Management
- MGMT 425 - HR Analytics
- MGSC 390 - Business Information Systems
- MGSC 486 - Service Operations Management
- MKTG 352 - Principles of Marketing Research

* Please consult with your Academic Advisor or department on courses recommended for individual majors. The analytics concentration must be taken in conjunction with another track in your major. The department may add additional electives to the Data Analytics Concentration subject to the approval of the Data Analytics Committee.

** Designated sections only.

6. Internationalization Requirement (9 Hours)

The program also requires 9 hours of course work with international content that may be used to fulfill other degree requirements. Three hours must be taken from an approved list of courses offered by the Moore School of Business which contain international business or international economics content. The following course options can also be used to satisfy the 3 credit hours of this requirement: approved course work containing international business or international economics content, taken at a semester abroad program; an approved Maymester or summer overseas course containing international business or international economics content; an approved internship course in international business wherein a student would obtain discipline-related work experience in a foreign country; or an approved service-learning component. Students may choose from one of the following options to complete the remaining 6-hour requirement:

Language:

- Two language courses at the 200 level or above

or

Electives:

- Two approved courses with international content taken either inside or outside the Moore School of Business from a list available in the undergraduate office.
7. Minor or Directed Course Work (minimum of 18 Hours)

Directed course work may be selected from a University-wide list of approved minors. The minor is normally a minimum of 18 hours of prescribed courses in one subject area. Students not selecting such a minor may submit an alternative program of study to satisfy the approved course work requirement. The proposed alternative program of study must be approved by the Undergraduate Program Executive Committee in coordination with the Undergraduate Division. All minor courses or courses approved as alternatives must be passed with a grade of C or better.

Return to: Programs by College/School
From: Robert Benedict [mailto:benedic@clemson.edu]
Sent: Friday, March 17, 2017 1:37 PM
To: Kimberly Walker <kwalker@che.sc.gov>
Subject: RE: Master of Real Estate Development Questions

Hi, Kimberly:
We currently have 30 students in our MRED program. We’re not at capacity and could take a few more with the next incoming class. We typically like to have 15-20 students per class with 40 being the max. However, we are selective and would rather be a little below capacity than simply go for the numbers. Our 2016 and 2015 graduates all received job offers in the field and these classes combined are 97% employed,
Class of 2015 – 100% employed
Class of 2016 – 94% employed
Please let me know if I can answer any questions and I hope this helps.

Best regards,
Robert

Robert C. Benedict, Ph.D.
Director - Master of Real Estate Development Program
Department of Planning, Development and Preservation
Clemson University
Clemson at ONE
1 North Main Street
Greenville, SC 29601
(864) 656-2476
benedic@clemson.edu

From: Kimberly Walker [mailto:kwalker@che.sc.gov]
Sent: Friday, March 17, 2017 12:34 PM
To: Robert Benedict <benedic@clemson.edu>
Cc: Argentini Anderson <aanderson@che.sc.gov>; John Lane <jlane@che.sc.gov>
Subject: Master of Real Estate Development Questions

Good afternoon Dr. Benedict,
I hope this email finds you well. I am currently conducting academic program research for the commission. I would like to know how many students are currently enrolled in your program and if the MRED program is at capacity? Do you track your student’s employment post-graduation with an alumni survey or similar instrument? If so, is that information available for the 2015-2016 academic year?

Thank you for assistance.
Kindly,

Kimberly Young Walker, PhD
Academic Program Manager
Academic Affairs
South Carolina Commission on Higher Education
1122 Lady Street
Columbia, SC 29201
803.737.3217
www.che.sc.gov
### Appendix A: MRED Curriculum Overview and Course Descriptions

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<tr>
<th>Course Number, Name, Credit Hours</th>
<th>Course Descriptions</th>
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<tr>
<td>ARCH 8200—Building Design and Construction Principles (3) <em>Online</em></td>
<td>Essential principles for quality design and construction. Emphasis on design, programming and sustainability issues for different project types. Nature and characteristics of construction materials, equipment and systems used in modern buildings are presented, as well as how they affect function and feasibility.</td>
</tr>
<tr>
<td>RED 8890—Intro to Accounting and Finance* (3) <em>Online</em></td>
<td>Topics emphasizing current literature and results of current research. May be repeated for a maximum of nine credits, but only if different topics are covered.</td>
</tr>
<tr>
<td>RED 8000—Real Estate Development Process (3)</td>
<td>Real estate and land development process from the developer’s perspective. Cases and lectures are presented by leading experts in the development industry. Emphasizes participants of the development team and how to become a developer/”master builder” to create a superior built environment.</td>
</tr>
<tr>
<td>RED 8010—Real Estate Market Analysis (3)</td>
<td>Processes and data sources used to analyze the supply and demand for various building types. Explores demographic, technological and economic trends affecting markets. General market analysis supply and demand approaches, including the use of GIS, are developed and applied primarily to residential, retail and office markets at specific sites.</td>
</tr>
<tr>
<td>RED 8100—Real Estate Seminar Roundtable (1)</td>
<td>Weekly course bringing students and premier real estate professionals together through on-site or video sessions. Presentations and discussions on cutting-edge projects and industry issues from around the country and internationally.</td>
</tr>
<tr>
<td>CRP 8020—Site Planning and Infrastructure* (3)</td>
<td>Covers the principles and practice of site planning, including site analysis, site design, infrastructure planning; exploration of site planning options for residential, commercial, office, industrial and mixed-use projects; street network, civic space, and open space planning; emphasis on walkable, mixed-use, transit-oriented sustainable development.</td>
</tr>
<tr>
<td>MBA 8360—Real Estate Principles (3)</td>
<td>Advanced survey course to acquaint students with the theories, practices and principles of real estate. Topics include urban economics, real estate law, brokerage, real estate valuation, financial institutions and analysis, tax issues, investment analysis and development.</td>
</tr>
<tr>
<td>MBA 8410—Real Estate Finance (3)</td>
<td>The application of financial analysis and theory to real estate, mortgage credit analysis and current financing techniques for residential and commercial properties is emphasized. Topics include financial institutions, mortgage financing techniques, financial decisions and construction financing.</td>
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</table>
| RED 8120—Real Estate Technology (1)*
*See pg. 16* | Demonstrates the technology used by the real estate industry pertaining to site analysis and land planning, vertical design, location analysis and market research and feasibility analysis. |
<p>| LAW 8480—Law for Real Estate Professionals (3) | Provides the real estate professional with the fundamentals of law as it applies in the real estate arena. Explores the various legal forms of ownership, the form and process of real estate transactions, and governmental regulation of land use. |</p>
<table>
<thead>
<tr>
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<tr>
<td>RED 8020—Real Estate Development Field Tour Seminar (3)</td>
<td>Course examines the processes of creating quality development within the risk-reward framework focusing on design feasibility from the perspectives of the development team. Approximate ten-day tour of the South Carolina Coast or other environs includes approximately forty developments and the key actors involved.</td>
</tr>
<tr>
<td>RED 8110—Summer Internship in Real Estate Development (3) <em>Required for 24 and 18 Month</em></td>
<td>Preplanned, preapproved, faculty-supervised internship designed to give students on-the-job learning in support of classroom education. Internships must be no less than 10 full-time consecutive weeks with the same internship provider. Ancillary study abroad experience or two three-credit classes in place of the internship requirement are possible with approval of MRED director.</td>
</tr>
<tr>
<td>RED 8030—Public Private Partnership (3)</td>
<td>Focuses on public-private partnerships in the structuring, negotiating and implementing the design, development, construction and management of buildings and areas. Emphasis is on redevelopment/rehab and infill development; incentive tools and techniques; and market and feasibility issues for development within the risk-reward framework.</td>
</tr>
<tr>
<td>CSM 8660—Contractor Role in Development (3)</td>
<td>This course addresses the various roles and responsibilities of the contractor in development, including discussion of the owner/designer/constructor relationship. The course is not for CSM master’s students.</td>
</tr>
<tr>
<td>MBA 8330—Real Estate Investments (3)</td>
<td>Study of real estate investment analysis and decision making featuring the use of discounted cash flow model and other tools to evaluate investment alternatives from the perspective of an equity real estate investor. Emphasizes market analysis, ownership alternatives and financing considerations.</td>
</tr>
<tr>
<td>RED 8040—Practicum in Residential Development (3)</td>
<td>Exploration of the residential development process. Guest speakers, case studies and field visits are used. Feasibility, market studies with financial analysis for a real world proposed development are completed by diverse student teams.</td>
</tr>
<tr>
<td>RED 8050—Practicum in Commercial Development (3)</td>
<td>Exploration of the commercial development process, especially for office and retail properties. Guest speakers, case studies and field visits are used. Capstone preliminary feasibility analysis is completed by diverse student teams for a real-world proposed development.</td>
</tr>
<tr>
<td>RED 8130—Selected Topics- Real Estate Strategies (3) <em>Required for 24 and 18 Month</em></td>
<td>Seminar examines the importance of strategy in the success of real estate companies and projects. Leadership, current economic conditions and the real estate cycle are also explored as a way of identifying successful strategies and the role leadership plays in their execution.</td>
</tr>
<tr>
<td>Course Number, Name, Credit Hours</td>
<td>Course Descriptions</td>
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</tr>
<tr>
<td><strong>ELECTIVES</strong></td>
<td></td>
</tr>
<tr>
<td><strong>MBA 8420</strong>—Real Estate Valuation (3)*</td>
<td>Study of real estate appraisal with primary emphasis on two student projects: a house appraisal and a commercial property appraisal. Topics include highest and best use analysis, the three approaches to value, advanced capitalization techniques, discounted cash flow analysis and the standards of professional practice.</td>
</tr>
<tr>
<td>*Required for 24 Month *</td>
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<tr>
<td><em>Elective for 12-18 Month</em></td>
<td></td>
</tr>
<tr>
<td><strong>RED 8130</strong>—Selected Topics- Real Estate Strategies (3) <em>Elective for 12 Month</em></td>
<td>Seminar examines the importance of strategy in the success of real estate companies and projects. Leadership, current economic conditions and the real estate cycle are also explored as a way of identifying successful strategies and the role leadership plays in their execution.</td>
</tr>
<tr>
<td><em>Required for 24 and 18 Month</em></td>
<td></td>
</tr>
<tr>
<td><strong>RED 8160</strong>—Preservation Feasibility for Real Estate Professionals(3) General Elective</td>
<td>Students gain familiarity with historic tax incentives, the adaptive use of historic structures and the feasibility of historic rehabilitation projects within the context of contemporary real estate development processes.</td>
</tr>
<tr>
<td><strong>RED 8170</strong>—Mixed Use Development Seminar(3) General Elective</td>
<td>Advanced weekly seminar focusing on an in-depth look at several product types in a mixed-use format. The course synthesizes Master of Real Estate Development curriculum knowledge in conjunction with premier developers and their team members, who use case(s) to cover the product type from idea inception to completion.</td>
</tr>
</tbody>
</table>

**REQUIRED COURSES REMOVED FROM 18-MONTH AND 12-MONTH SEQUENCES BY 2015 CURRICULUM REVISION**

These courses are only required for the 24-month students graduating in May 2017.

<table>
<thead>
<tr>
<th>Course Number, Name, Credit Hours</th>
<th>Course Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CRP 8000</strong>—Human Settlement (3) <em>Required for 24 month students only</em></td>
<td>Overview of forces and trends affecting community growth and change — historical, ecological, economic, demographic, design and development — pertaining to human settlement patterns and their interrelationship in the urbanization process, especially at the national, regional, townscape and neighborhood scale. Team taught from various perspectives. Intended as a foundation core course for Master’s in Real Estate Development, City and Regional Planning, and Landscape Architecture.</td>
</tr>
<tr>
<td><strong>MBA 8420</strong>—Real Estate Valuation(3)*</td>
<td>Study of real estate appraisal with primary emphasis on two student projects: a house appraisal and a commercial property appraisal. Topics include highest and best use analysis, the three approaches to value, advanced capitalization techniques, discounted cash flow analysis and the standards of professional practice.</td>
</tr>
<tr>
<td><em>Required for 24 month students only</em></td>
<td></td>
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</tbody>
</table>
Appendix B: MRED Electives

All Clemson MRED students admitted into the 18-month curriculum sequence are required to complete two elective courses.

All Clemson MRED students admitted into the 12-month curriculum sequence are required to complete two elective courses.

All Clemson MRED students completing the 24-month (2 year) curriculum sequence are required to have two elective courses.

The list of elective courses that are typically offered are listed in Appendix A and on pg. Please note that there may be other courses offered by other departments that could substitute for an elective course requirement if approved by the MRED Program Director.