

Masterclass in Financial Modelling for Real Estate Investments



Focus on: **The Manager** **The Specialist** **Spotlight Programme** **Hands-on Skills**

Course Overview

When it comes to financial modelling for real estate, there is a lot of information out there, which, ironically, can make it harder to understand at times. It can be nearly impossible to find one source that clearly explains the key points from start to finish.

This 5-day, Excel®-based, highly interactive course will unpack the complexities in modelling an acquisition, development or renovation project. Development-specific topics such as construction budgets and lease-up will be covered, as will the nuances of development financing.

This course will address all of the important elements, it will give you Excel templates to work with, and it will explain the step-by-step process for modelling the most common deal types.

Key topics include: Acquisition, Renovation, Construction/Development, Residential, Commercial, Industrial.

Course Objectives		This Course is Ideal For:	
1	Understand real estate investment terminology	✓	Financial professionals and internal auditors
2	Simulate the potential return on new capital investments under various assumptions	✓	Operational process owners, business management professionals and project managers
3	Leverage provided templates to improve decision-making	✓	Marketing and sales professionals
4	Elevate your existing knowledge of real estate	✓	Asset managers
5	Work through a complex real estate project on a team basis to identify the best options	✓	Real estate investors, lenders, partners, analysts and appraisers

Course Content

Day	Theme	Coverage
1	Real estate fundamentals	<ul style="list-style-type: none"> Setting the stage Decide what type of project you want to model Develop the assumptions Build your pro forma Review the real estate pro forma metrics Options & exit strategies Real estate glossary of terms <p>Case Study: Review a basic development model</p>
2	Real estate Acquisition	<ul style="list-style-type: none"> Understanding the Basics of Real Estate Acquisition The Importance of Location in Property Acquisition Different Types of Real Estate Acquisitions Explained The Role of Financing in Real Estate Acquisition Steps Involved in the Acquisition Process

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		<ul style="list-style-type: none"> • Key Legal Considerations in Property Acquisition • Evaluating Property Value Before Acquisition • Common Challenges in Real Estate Acquisition • The Impact of Market Trends on Acquisitions • Future Outlook: Real Estate Acquisition Strategies <p>Case study: Evaluate a proposed property acquisition</p>
3	Property Development	<ul style="list-style-type: none"> • Skills Required for Developers <ul style="list-style-type: none"> ○ Project Management: Overseeing multiple aspects of development. ○ Financial Analysis: Understanding costs, returns, and financing options. ○ Networking: Building relationships with contractors, investors, and local authorities. • Development Process Stages <ul style="list-style-type: none"> ○ Site Selection and Evaluation: ○ Development and Entitlement: ○ Construction Coordination: • Construction <ul style="list-style-type: none"> ○ Creating the Budget ○ Managing the project ○ Dealing with “overruns” <p>Case study: Review challenges in a construction budget</p>
4	Commercial & Multifamily property models	<ul style="list-style-type: none"> • Commercial Real Estate model <ul style="list-style-type: none"> ○ Commercial real estate valuation & feasibility case study ○ Cap rate calculation ○ Market value discussion ○ Build out economic values ○ Decision analysis factors ○ Pro forma income statement ○ Pro forma cash flow statement ○ Mortgage loan amortization schedule ○ Analysis of reversion on sale ○ OpEx and NOI • Case study to explore a commercial real estate project • Multifamily Development <ul style="list-style-type: none"> ○ Property assumptions ○ Acquisition & Exit assumptions ○ Sources & Uses of funds ○ Operating assumptions ○ Property pro forma ○ IRR calculations

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		<ul style="list-style-type: none"> ○ Cash flows & returns ○ Revisiting Assumptions ● Case study on a Multifamily Development project
5	Industrial Development (this is a full-day team-based case study)	<ul style="list-style-type: none"> ● Construction projection <ul style="list-style-type: none"> ○ Assumptions: Land cost calculations, Construction calculations, Replacement reserves calculation ○ Draws ○ Debt ○ Loan costs ● Development pro forma <ul style="list-style-type: none"> ○ Development overview ○ Construction financing, Financing, Exit assumptions. ○ Sources & uses of funds ○ Rent roll & operating assumptions. ○ Property pro forma ○ Equity returns ○ Waterfall returns <p>Comprehensive case study to complete a model for a to-be-built center with multiple options</p>

Course Assessment	Certification
<p>Participants will be assessed on:</p> <ul style="list-style-type: none"> Participation in sessions Completion of exercises & case studies Performance in assessments 	<p>Upon successful completion of the course, participants will receive a Certificate of Successful Completion, along with a Transcript of Marks showing the performance by grade in each element of assessment and overall.</p>

Course Instructor

The trainer is the Founder and Managing Director of an international consulting & training firm based in the US. He consults in four areas: Strategy: Planning & Implementation; Finance: Analysis & Modelling; Leadership: Development & Coaching; and S.T.E.P.[®] Succession, Transition & Exit Planning. He is an internationally recognized leader in these areas, working with firms such as ADNOC (United Arab Emirates), American Management Association (AMA), American Private Equity; Apple, ARAMCO (Saudi Arabia), California Investment Fund; Commercial Finance Conference; Credit Suisse, Chubb, Dell; Delta; Hilton Hotels, Institute for Supply Management (ISM), Kuwait Petroleum Company (KPC); Mattel, PEMEX (México), PDO, (Oman), Petronas (Malaysia); Promigas (Colombia) Reliance (India), TRW, UEM (Malaysia) & the University of Manchester (UK) among others. He has consulted & trained firms in 31 countries, comprising many industries, as well as teaching the subject at the University level. He has published white papers, articles, SlideShare presentations, YouTube videos & 4 books on these subjects. He was adjunct faculty at the University of California, Los Angeles (UCLA) Extension Department (25 years) and was formerly Visiting Professor at the University of Huddersfield's (UK) Business School.

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He also has over 18 years of experience in all facets of both the traditional & non-traditional banking industry. He is sought out regularly and often quoted in the media. He has been awarded the CMC© designation by the Institute of Management Consultants which is awarded to less than 1% of management consultants.