

International Real Estate Development Opportunities 038-51611D
Wednesday, 4:00 to 5:50 PM, RGL 105

A. COURSE OVERVIEW

The course covers a series of special topics in international real estate development opportunities. The areas that will be emphasized include current and potential opportunities for international real estate investment and development, financial economics and market analyses, cultural, political and social-economic considerations of doing business in international real estate markets.

The course is appropriate for students emphasizing international development with necessary real estate development and financial economics backgrounds. Students who are interested in domestic real estate development may also benefit from the course through studying experiences of real estate development in other countries.

Special Note: A companion course, RED 585 – *Comparative International Development Workshop*, is offered immediately after the end of the spring semester. Concurrent enrollment of RED 583 and 585 is encouraged and satisfies the MRED international development emphasis requirement. A \$100 lab fee deposit for RED 585 is due by Wednesday, January 30, 2008.

B. COURSE ORGANIZATION

The course is a combination of lectures and case analyses. Students are expected to prepare every case for discussion.

In addition, each student should choose a topic of his/her own as a final course project. The final course project may be in the form of an international real estate development case compiled by students themselves. It may also be in the form of an analysis of social/economic/market environments and development opportunities of a particular sector of the international real estate market.

There is no final exam. However, each student is required to give a PowerPoint presentation of the final project. Students, who sign-up to participate in RED 585 – international real estate development workshop – should submit a preliminary report of the project by *April 23, 2008*. The final report of the project is due two weeks after the end of the RED 585 study tour. Those who do not register for RED 585 should submit a final report of the project by *April 30, 2008*.

C. REQUIRED CLASS MATERIALS

Course Pack

RED 583: International Real Estate Development Opportunities, Magic Machine, University Graphics Copies & Printing. Address: University Village, 3309 S. Hoover, LA CA 90007, Phone: 213-744-1511, Fax: 213-744-1084.

Optional Reference Books

William B Brueggeman and Jeffrey Fisher, (2007) *Real Estate Finance and Investments*, 13th Edition. McGraw Hill Higher Education. ISBN: 978-0-07-352471-9.

Peter Linneman, (2004) *Real Estate Finance & Investments: Risks and Opportunities*, 2nd Edition. Linneman Associates. ISBN: 0-9744518-3-5.

Blackboard CourseInfo web site

You are strongly encouraged to learn how to use the Blackboard CourseInfo web site (<http://blackboard.usc.edu/>). Each student should create his/her own home page on the CourseInfo web site for RED 583. It should contain the following information: your academic background as well as your working experience related to this course, your career expectations, why you want to take this course, and what you expect from this course. You may also post a recent photo of you on your home page.

Financial Calculator

You need a financial or programmable calculator capable of computing annuities and present values. You are also responsible for knowing how to use these functions. You should bring the calculator to classes.

D. OTHER REQUIREMENTS

Students who have not taken RED 542 or FBE 591 should acquire, read and understand William B Brueggeman and Jeffrey Fisher, (2007) *Real Estate Finance and Investments*, 13th Edition, and Peter Linneman (2004), which provide excellent overview of the modern world of real estate finance and shows how to analyze real estate markets and understand the investment alternatives available to both debt and equity real estate investors, as well as a broad overview risks and opportunities in the real estate market. Students should also familiar with the material covered in RED 509. Finally, all students should read *The Economist*, *The Financial Times*, *the Asian Wall Street Journal* or similar internationally oriented periodicals in order to track international real estate market and capital market activities.

E. GRADING

Case Analyses	40%
Final Project Presentation	50%
Participation	<u>10%</u>
	100%

F. INSTRUCTOR ACCESS

I will hold office hours on Wednesdays, 2:00pm - 4:00pm *or by appointment*. Appointments are recommended even during office hours as meeting schedules may occasionally conflict with office hours. E-mail is a dependable way to communicate with me.

Professor Yongheng Deng
Office: RGL 201A
Tel: (213) 821-1030
E-mail: ydeng@usc.edu

G. ACADEMIC DISHONESTY

The Use of unauthorized material, communication with fellow students during an examination, attempting to benefit from the work of another student, and similar behavior that defeats the intent of an examination, or other class work is unacceptable to the University. It is often difficult to distinguish between a culpable act and inadvertent behavior resulting from the nervous tensions accompanying examinations. Where a clear violation has occurred, however, the instructor may disqualify the student's work as unacceptable and assign a failing mark on the paper.

H. DISABILITY STATEMENT

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to TA) as early in the semester as possible. DSP is located in STU 301 and is open early 8:30 a.m. - 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

G. CLASS MEETINGS

Date	Topics and Readings
1. Jan. 16	1) Introduction: Course mechanics 2) Overview of Comparative International Development Workshop – RED 585 3) Housing Market Risks, Sub-Prime Mortgage Crisis, and the Global Credit Crunching. Readings: <ul style="list-style-type: none">• Collapse in Asia: 1997-1998
2. Jan. 23	Case Study: Japan’s Land Bubble Readings: <ul style="list-style-type: none">• Power from the ground up: Japan’s Land Bubble.• Japan: Beyond the Bubble• Japan: Beyond the Bubble Supplement• Japanese Banking: Crisis and Reform
3. Jan. 30	Case Study: The Hong Kong Property Market Readings: <ul style="list-style-type: none">• The Hong Kong Property Industry in 1997• The Hong Kong Property Industry in 1999• Henderson Land: The Bid for the Hong Kong Station Development Project• Hutchison Whampoa Limited and the Cheung Kong Center• Li Ka-Shing and the Growth of Cheung Kong
4. Feb. 6	Case Study: Urban Renewal Policy Discussion of Final Course Project Topics Study Tour Planning Session Readings: <ul style="list-style-type: none">• Urban Renewal of Wan Chai: A Collision of People and Policy
5. Feb. 13	Case Study: The Hong Kong Disneyland Case Readings: <ul style="list-style-type: none">• Note on Cross-Border Valuation• Hong Kong Disneyland (A): The Walt Disney Perspective• Hong Kong Disneyland (B): The HKSAR Perspective• Hong Kong Disneyland (C): The Joint Venture Negotiation
6. Feb. 20	Case Study: Dubailand Readings: <ul style="list-style-type: none">• Dubailand: Destination Dubai• Structuring Real Estate Deals: An Investor’s Perspective

7. Feb. 27

Guest Speaker: TBA
Doing Business in China

Readings:

- The Economist – A Survey of China
- Doing Business in China
- A Better Way to Crack China
- The China Trade: Making the Deal
- The China Trade: Making the Deal Work
- Entering China: An Unconventional Approach
- Opening the Doors for Business in China
- The Chinese Family Business Enterprise

8. Mar. 5

Case Study: Shanghai Real Estate

Readings:

- The Shanghai Property Market and Hong Kong Developers
- Pudong: New Area of Shanghai
- Shanghai Real Estate (A) (B)

9. Mar. 12

Case Study: SOHO China; The Beijing Dream

Readings:

- SOHO China
- The Beijing Dream

10. Mar. 19

Spring Recess. No Class

11. Mar. 26

Case Study: Warsaw Marriott Hotel

Readings:

- The Marriott Corporation and the Warsaw Hotel, 1986: Would Poland Become Marriott' Newest Market?
- The Warsaw Marriott: New Competition for Warsaw's Marriott Hotel

12. April. 2

Case Study: The Domik Project

Readings:

- The Domik Project

13. April 9

Course Project Presentation

14. April 16

Course Project Presentation

15. April 23

Course Project Presentation

16.

Study Tour Planning Session