

Underwriting Intensive II
How to Underwrite Income Producing Real Estate From a Lending Perspective
Wed, January 18, 2017 – Wed, March 1, 2017

Course Description

The course will cover all major facets of underwriting the repositioning of income-producing commercial real estate from a lending perspective. The class will focus primarily on the multifamily sector, however the basic underwriting concepts will be applicable when underwriting transisitional office, retail, industrial and hotel properties. Class topics and timeframes (listed below) may change slightly depending on class participation which is strongly encouraged.

Class	Topics to be Covered
Class 1 <i>Wed, Jan 18, 2017</i>	<ul style="list-style-type: none"> • Course introduction • Transitional asset overview • 5 C's of credit • Review of undewriting income producing commerical real estate • Begin the Multifamily Case Study: The Opportunity
Class 2 <i>Wed, Jan 25, 2017</i>	Case Study – Multifamily <ul style="list-style-type: none"> • Floating rate loan application • Loan sizing • Takeout analysis • Calculating interest reserves
Class 3 <i>Wed, Feb 1, 2017</i>	Case Study – Multifamily (continued) <ul style="list-style-type: none"> • LIBOR Cap analysis • Review of financial analysis • Investment Committee Memo
Class 4 <i>Wed, Feb 8, 2017</i>	<ul style="list-style-type: none"> • Complete Investment Committee Memo review • Review homework assignment <p><i>Homework Assignment 1 - Deal teams will be given a multifamily broker/deal package, business plan and loan application. Teams will be required to underwrite the transaction, write an Investment Committee Memo, present their analysis and financing recommendations to the class (40% of grade).</i></p>
Class 5 <i>Tue, Feb 15, 2017</i>	<ul style="list-style-type: none"> • Class presentations • Case study Q&A • Review second homework assignment <p><i>Homework Assignment 2: - Deal teams will be given a different multifamily broker/deal package, business plan and loan application. Teams will be required to underwrite the transaction, write an Investment Committee Memo and present their analysis and financing recommendations to the class (60% of grade).</i></p>

Class 6 <i>Wed, Feb 22, 2017</i>	<ul style="list-style-type: none"> • Final class presentations
Class 7 <i>Wed, Mar 1, 2017</i>	<ul style="list-style-type: none"> • Final Exam

Homework

As mentioned above, there will be two homework assignments and students will be divided into deal teams to complete. Deal teams will be given a multifamily broker/deal package, business plan and loan application. They will be required to underwrite the transaction, write an Investment Committee Memo and determine whether they would fund the loan based on the terms in the loan application. If not, the Investment Committee Memo should reflect how the loan should be modified. Each deal team will present their analysis and financing recommendations to the class for each assignment.

The committee memos must be typed, stapled and hand delivered at the beginning of class on the date due. Each team member's name, SSN or CUID must be included. Assignments not handed in on time will not be accepted – no exceptions.

Detailed instructions will be given on the day the assignment is handed out.

Grading

Class Presentation 1	25%
Class Presentation 2	40%
Final Exam	35%

Required Textbook / Materials

The class materials will be posted on the university's web site at <https://courseworks.columbia.edu>. Students are expected to download, print and bring to class. There is no required text book, but strongly recommend reading all materials posted to Courseworks prior to class.

Prerequisites:

It is highly recommended students have taken the UW Intensive I Class offered in the Fall or have had significant commercial real estate underwriting experience. This is an advanced underwriting class.

Instructors

I unfortunately cannot hold on-campus office hours, however I am available by email at the addresses provided below so please email me with any problems or questions.

Professor

Roger Nussenblatt

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Teaching Assistant

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