

**B8428 SOCIAL IMPACT REAL ESTATE INVESTING & DEVELOPMENT**

**SPRING 2023 (A term)**

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| **PROFESSOR: Blair Smith**E-mail: Office Hours: upon request | TEACHING ASSISTANT: Jason CincottaE-mail: jcincotta23@gsb.columbia.edu |

Communications from professor and teaching assistants about the course will take place through Canvas.

Students should make sure they regularly check for announcements and messaging notifications.

**SCHEDULE AND LOCATION**

Mondays, 8:30-11:45am

Classroom: TBD

**COURSE DESCRIPTION**

This course will explore what are, and how to develop and invest in, “social impact” real estate projects. How do we define what constitutes “social impact” with respect to real estate projects? What are the financial building blocks and sources of capital available for developers and investors to utilize when putting together deals?

Using examples of real deals, and focusing on U.S. urban markets, students will work through the challenges and opportunities of financing various types of projects with a particular focus on public-private partnerships. Students will be exposed to a variety of financial tools (LIHTCs, tax-exempt bonds, NMTCs) and public sector programs that are necessary to make social impact projects feasible while also being asked to consider alternatives to large, complex real estate projects.

In addition, the course will explore the following questions: who are the players in the “social impact” real estate space? Who are the capital providers in both the public and private sectors? Who are the developers? Can you make money being a socially responsible investor or developer?

Speakers will include investors, real estate developers / operators, fund managers, government officials, and financial institutions.

**REQUIRED PREREQUISITES AND CONNECTION TO THE CORE (For Electives)**

Real Estate Finance (B8331) is not a prerequisite but strongly recommended. *Students who have not taken Real Estate Finance or lack demonstrable professional experience are strongly encouraged to attend a 3-hour real estate finance “bootcamp” session.*

The learning in this course will utilize, build on and extend concepts covered in the following core courses:

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| **Core Course** | **Connection with Core** |
| Corporate Finance | 1. Time value of money
2. Opportunity cost of capital
3. Risk
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| Decision Models | 1. Sensitivity Analysis
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| Strategy Formulation | 1. Creation of value vs. value capture
2. Trade-offs
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| Global Economic Environment | 1. Inflation and the business cycle
2. Fiscal policy
3. Role of financial markets in the economy
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Students will be expected to have mastered these concepts and be able to apply them in the course.

**METHOD OF EVALUATION**

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| Class Attendance & Participation | 30% |
| Team Presentation & Debate | 30% |
| Final Project | 40% |

 **Final Project:**Final project topics will be distributed midway through the course.

*\*All readings available either on Canvas or via link below; subject to change as semester progresses\**

**ASSIGNMENTS**

All of your assignment submissions, cases and exams are subject to the [CBS Honor Code](http://www8.gsb.columbia.edu/honor/definitions). **Violations of the CBS Honor Code WILL lead to failing the assignment, case or exam and receiving an F for the entire course**. To avoid ambiguity that may lead to unintentional violations of the Honor Code, assignment description types have been standardized and specified below and specified above.

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| **Type** | **Designation** | **Grade** | **Preparation ofsubmission** | **Discussion of Submission\*** | **Discussion ofConcepts\*\*** |
| A | Group Work | Same grade for all group members | By the group | Permitted to discuss (within group) | Permitted |
| B1 | Individual w/ Discussions of  Concepts and Submission | Individual grade | Individual preparation | Permitted to discuss;  sharing solutions or submission files is not allowed | Permitted |
| B2 | Individual w/  Discussions of  Concepts Only | Individual grade | Individual preparation | Not permitted to share/discuss solutions or submission  | Permitted |
| C | Individual | Individual grade | Individual preparation | Not permitted to share/discuss solutions or submission | Not permitted\*\*\* |

**ATTENDANCE POLICY**

Class attendance and participation are essential to benefit from the experienced professionals who have agreed to participate in your education and develop an ongoing relationship with your classmates. There are only six classes. **I expect everyone to show up for every class on time.** If there is a plausible reason for not attending, please inform me and the TA at least 24 hours before class—and expect to complete a make-up assignment.

NOTE: The following is applicable for Core Courses:

* Students that miss more than **33%** of their classes (unexcused absences) will at most receive a **P** **for the course grade**
* Students that miss more than **50%** of their classes (unexcused absences) will receive a **F** **for the course grade**