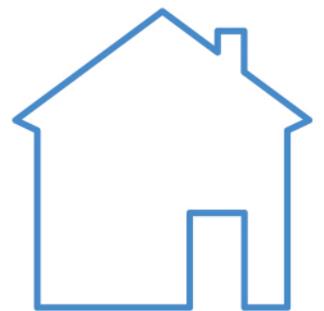


# REAL ESTATE VALUATION AND FINANCING

2020



## WHAT YOU'LL GET

This course is designed to give you a theoretical framework, a practical and complete knowledge of the topics and to help you:

- **Appraise** the market value of properties
- **Analyse** real estate investment opportunities
- **Explore** the real estate capital market and getting financing



## WHERE YOU ARE

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In the current market situation investing in and financing properties is one of the most difficult games in town. There are no bad or good properties, only overvalued or properly estimated deals. Valuation is essential to choose among a variety of investment opportunities in a capital-intensive sector, where financing decisions are essential to create value for investors. Therefore, it is crucial to keep up with current market changes and challenges, so as to be able to exploit any available opportunity.

## WHO IT IS FOR

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The program is aimed at real estate professionals at any level who frequently deal with real estate financial models and in particular at:

- Mid-level to senior managers
- Entrepreneurs
- Real estate companies and Banks analysts
- Appraisers who want to gain a detailed understanding of the dynamics of appraisal, valuation and real estate financing and to start building their own real estate financial models.

## WHAT YOU'LL BE WORKING ON

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In the space of **5 days of in-class session (19-23 October 2020)** you will deepen your knowledge on the following topics:

### **Introduction to real estate market**

- Characteristics of real estate assets
- Space & capital markets model
- Players and investment styles

### **Real estate financial analysis pro-forma forecasting**

- Real estate profit & loss and balance sheet
- Cash flow statements with unlevered FCFO and levered FCFE

### **Main return and value estimation financial metrics**

- Internal Rate of Return (IRR)
- Present Value (PV) & Net Present Value (NPV)
- Equity Multiple, Property & Dividend Yields

## **Introduction to property valuation**

- Value definitions: market value and investment value
- Appraisal methods

## **Real estate capital markets**

- Cost of equity & cost of debt
- Capital structure
- WACC

## **Excel for cash flow models**

### **Case study: income-producing property appraisal**

### **Guest speech on a real estate development project**

## **Introduction to development appraisal**

- Residual model technique, site and profit calculations
- Discounting development cash flows
- Case study on a real estate development project

## **Introduction to real estate finance**

- Corporate & structured finance
- Bank loan contractual forms
- Income-producing properties financing
- Term sheet examples
- Case studies on debt financing

### **Guest speech on debt financing**

### **Case study: development project analysis with structured financing**

This is a **full-time, one-week in-class program**, which includes some social activities at the end of the class time. It also includes group projects with the instructor's support. No more than 25 participants can take part in the program in order to optimize the interaction between teacher and student.

You are invited to bring your own laptop, even if shared computers are available in private workspaces designed for group work. We will give you all the study material in electronic format in advance, and hard copies of the most relevant readings and case studies at the beginning of the course. During the program, students will receive a complete set of Excel spreadsheets for all the examples and case studies discussed in class.

## **FACULTY**

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**Paolo Benedetto**, MRICS, SDA Fellow & Advisory&Valuation Director Agire – IPI Group

[Armando Borghi](#), SDA Senior Lecturer & CEO CityLife

[Federico Chiavazza](#), MRICS, SDA Fellow & Partner Avalon Real Estate

**Antonio Mazza**, MRICS, SDA Fellow & Managing Director Aareal Bank Italy

[Giacomo Morri](#), MRICS, SDA Associate Professor of Practice of Corporate Finance & Real Estate, Corporate Finance and Real Estate Faculty Deputy and program's director

## HOW TO REGISTER

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Please fill out the enrollment request form and email or fax it to:

**SDA Bocconi School of Management**

fax +39 02 5836.6833

email: [micaela.valli@sdabocconi.it](mailto:micaela.valli@sdabocconi.it)

The final deadline for enrollment is **29 September 2020**. Enrollment requests are reviewed on a rolling basis, those received after the final deadline may not be accepted.

At the end of the initiative, each participant will receive a **certificate of attendance**.

A 10% reduction on the program fee is offered to applications sent in **by 20 August 2020**.

**Bocconi Alumni** are entitled to a range of benefits and services, including special reductions on the Open Programs' participation fee. To take advantage of the discount, please, enter your Alumnus/a status in the notes when registering for one of the programs.

The two offers are not cumulative.

For further information please contact [Manuela Barazzetti](#).

**Program's fee: € 5.800 + VAT**



Orientation

Manuela Barazzetti

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Pre-enrollment and enrollment

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## SDA BOCCONI SCHOOL OF MANAGEMENT

SDA Bocconi School of Management has been a leading institution in management training for over 40 years. The School's mission is to help individuals, companies and institutions grow by promoting managerial culture, knowledge and innovation.

MBA Programs, Executive and Specialized Masters, Executive Programs, Custom Programs, Applied Research, Research Labs and Knowledge Centers all contribute to this - a wide offering aimed at professionals from all over the world and from all sectors of the economy.

SDA Bocconi is among the leading Business Schools in Europe and is among the few to have gained the triple accreditation - EQUIS, AMBA and AACSB - which puts it in the élite of Business Schools worldwide.

Choosing to study at SDA Bocconi in Milan means choosing a stimulating environment in Italy's entrepreneurial, industrial and financial capital - a gateway to Europe with a wealth of connections and opportunities. Milan is also synonym for culture, fashion, design, taste and the art of living.

SDA Bocconi has also launched the pan-Asian hub with the opening of SDA Bocconi Asia Center, which aims to enhance the School's global presence.

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