

**RUTGERS UNIVERSITY  
SCHOOL OF BUSINESS – CAMDEN  
Real Estate Minor Program  
Real Estate Capital Markets and Investments**

**PLEASE READ THIS DOCUMENT THOROUGHLY AS IT CONTAINS MUCH  
INFORMATION ABOUT THE COURSE AND STANDS AS THE AGREEMENT  
BETWEEN THE PROFESSOR AND STUDENT.**

**Real Estate Investments and Capital Markets 52:390:341  
On-Line – Asynchronous**

**Spring 2026**

**Professor: Professor Richard A. Michelfelder, Ph.D.  
Camden Office: Room 437, Business and Science Center**

**Contact Information:**

**E-mail: [richmich@rutgers.edu](mailto:richmich@rutgers.edu) (please identify the class in subject line)  
Course Venue: Online – CANVAS Platform**

**Office Hours: Online Tuesdays 9 AM to 10 AM by Webex, phone call or other appointment (please pre-schedule call or other appointment by email or leave a text or voice mail and you will be contacted).**

**You will receive one email invitation for all online office hours for this session soon after the course starts. Please accept and your calendar will be updated and the link provided every week.**

**This is an online asynchronous online course. There are pre-recorded lectures posted for every Topic Outline. They follow the posted PowerPoint slide decks for each Topic Outline. The course is structured around 6 Topic Outlines. They are listed on the last page of this syllabus. All materials in addition to the slides are posted in each Topic Outline Module on the CANVAS course site. The lectures are posted in the Kaltura Media Gallery of the CANVAS course site.**

**Required Text: NONE**

**Other Readings to be Distributed:**

Fama, E., and K. French, 2004, “The Capital Asset Pricing Model: Theory and Evidence,” *Journal of Economic Perspectives* 18, 25-46.

Selected readings from finance and economic journals, consulting and corporate reports, white papers, newspapers, and other sources will be distributed for reading and forthcoming review in class.

### **Classroom Accommodation for Disabilities:**

The University is committed to supporting the learning of all students and faculty will provide accommodations as indicated in a Letter of Accommodation issued by the Office of Disability Services (ODS). If you have already registered with ODS and have your letter of accommodations, please share this with me early in the course. If you have or think you have a disability (learning, sensory, physical, chronic health, mental health or attentional), please contact <https://success.camden.rutgers.edu/disability-services>.

Accommodations will be provided only for students with a letter of accommodation from ODS. Their services are free and confidential. Letters only provide information about the accommodation, not about the disability or diagnosis.

### **Academic Integrity:**

The Academic Integrity policy can be found at <http://studentconduct.rutgers.edu/student-conduct-processes/academic-integrity/>

***Students are responsible for understanding the principles of academic integrity and abiding by them in all aspects of their work at the University.*** Students are also encouraged to help educate fellow students about academic integrity and to bring all alleged violations of academic integrity they encounter to the attention of the appropriate authorities.

Academic Integrity means that you (the student) must:

- properly acknowledge and cite all use of the ideas, results, or words of others,
- properly acknowledge all contributors to a given piece of work,
- make sure that all work submitted as your own in a course activity is your own and not from someone else
- obtain all data or results by ethical means and report them accurately
- treat all other students fairly with no encouragement of academic dishonesty

Adherence to these principles is necessary in order to ensure that:

- everyone is given proper credit for his or her ideas, words, results, and other scholarly accomplishments
- all student work is fairly evaluated and no student has an inappropriate advantage over others
- the academic and ethical development of all students is fostered
- the reputation of the University for integrity is maintained and enhanced.

Failure to uphold these principles of academic integrity threatens both the reputation of the University and the value of the degrees awarded to its students. Every member of the

University community therefore bears a responsibility for ensuring that the highest standards of academic integrity are upheld. Violations are taken seriously and will be handled according to University policy.

**Session Key Dates:**

|                           |   |
|---------------------------|---|
| <b>Tuesday, 1/20/2026</b> | <b>Course &amp; Semester Starts</b>           |
| <b>Saturday, 3/7/2026</b> | <b>Midterm Examination</b>                    |
| <b>Monday, 5/4/2026</b>   | <b>Last Day of Classes / Project Due Date</b> |
| <b>Saturday, 5/9/2026</b> | <b>Final Examination</b>                      |

**Course Objective:**

This is an introductory undergraduate course on real estate (RE) economics and finance. The objective of the course is to understand the nature of RE as an asset, review of economics and finance topics applicable to RE, such as the valuation and risk of RE assets, markets, portfolio theory, debt-financing and the development of real estate cash flow pro forma models. It will also focus on how to make RE investment decisions. Applications and actual business cases will be discussed.

**Fundamental Learning Objectives:**

**Proficiency with Capital Budgeting Analysis for RE Investment:**

1. Apply standard capital budgeting techniques with awareness of their benefits and limitations for real estate;
2. Compute the cash flows associated with RE leasing and rents;
3. Perform and interpret sensitivity and scenario analyses when evaluating proposed RE investment acquisitions and divestitures.

**Understanding of RE Cost of Capital:**

1. Determine a RE project's overall cost of capital.
2. Understand pitfalls associated with a project's overall cost of capital and what to do about them.
3. Cost of capital and discount rates

**RE Risk, Portfolio Analysis and Risk Management**

1. RE and Risk
2. Portfolio Theory and Risk Management
3. RE Risk Analysis: CAPM, Monte Carlo Simulation
4. REIT Betas

### **Markets for RE:**

1. Understand efficient markets in financial assets.
2. Inefficiency in the markets for RE and why.
3. Develop and review empirical tests of inefficiency in RE markets.
4. Segmentation in RE markets.

### **Knowledge of Capital Structure Basics Applied to RE:**

1. Determine the levels, leveraged rates of return and risks of from high debt-leverage in general.
2. Understand the unique RE financing.
3. Determine the impact of taxes and bankruptcy on capital structure levels of RE.

### **The Development of the “Business” Plan for the RE Project**

1. Understand the BP Process in general.
2. Apply for both the REIT / Business.
3. Apply for the RE Project in Consideration.

### **Additional Learning Objectives:**

- 1) Apply financial statement analysis for assessing the position of a firm, cash flow forecasting and for valuation of assets,
- 2) Developing a business and financial plan for an RE investment proposal or REIT,
- 3) Perform valuations of projects,
- 4) Risk analysis, risk management and relation of risk to the cost of capital,
- 5) Making a project investment decision,
- 6) Financing the project with debt and equity,
- 7) Understanding / analyzing an acquisition or divestiture, and
- 8) Applying all the above.
- 9) You will also have a few applications using artificial intelligence (AI).

At a general level, you should leave this course being able to conduct **valuation and evaluation** analysis for a RE project investment decision. Case examples and applications will be used throughout the course.

### **How to Succeed in This Course:**

- 1) Read all assigned materials associated with each Outline during each period assigned.
- 2) Watch / listen to every recorded lecture video on a timely basis.
- 3) Ask many questions of the professor and other students.

- 4) Be vigilant in keeping up with the course pace. It is finance and quantitative. This is a very fast-paced course with a lot of material and continues to build on previous material.
- 5) For anyone who may be tempted, please do not cut-and-paste or paraphrase material from any source such as AI for any and all documents that you develop and submit for this course, including the two examinations, assignments, and the project. This point should be obvious yet is made anyway as such incidences have a greater tendency to occur when examinations are done at home and are essay-based. Faculty also use TURNITIN software as a search tool for such instances. **I may also require a face-to-face oral examination if such is suspected.**

### **Student Code of Conduct:**

Rutgers University-Camden seeks a community that is free from violence, threats, and intimidation; is respectful of the rights, opportunities, and welfare of students, faculty, staff, and guests of the University; and does not threaten the physical or mental health or safety of members of the University community, including in classroom space.

As a student at the University you are expected adhere to the Code of Student Conduct.

To review the code, go to: <https://deanofstudents.camden.rutgers.edu/student-conduct>

Note that the conduct code specifically addresses disruptive classroom conduct, which means "engaging in behavior that substantially or repeatedly interrupts either the instructor's ability to teach or student learning. The classroom extends to any setting where a student is engaged in work toward academic credit or satisfaction of program-based requirements or related activities."

### **Online Course Syllabus Additions:**

#### **ONLINE COURSE SYLLABUS ADDITIONS FOR CONDUCT**

##### **Etiquette expectations from on-line students:**

The following protocols on the codes of behavior reflect professional business norms on manners, courtesy, and respect. (*In general, you should treat others as you would like others to treat yourself. Be mindful that what is acceptable in a text or chatroom with friends may not be appropriate in a classroom or in an online conversation with an instructor.*)

Even though many of you are already aware of these protocols, they are explicitly stated here so that everyone is cognizant of the same protocols. These protocols should be followed by all students taking this course to help ensure the online experiences for everyone involved are pleasant. They are as follows:

- If you were to send an e-mail to the professor / tutor, please address the person appropriately such as “Dr. ....” or “Mr./Ms. ....” ,not ‘Hey’. Note that I will address you with your first name, unless you prefer that I address you differently.
- When sending an e-mail, you can get better attention by using the following guidelines:
  - use descriptive subject lines, (I am sure you have received a lot of Spam e-mails and I have occasionally and accidentally deleted student e-mails that I thought was Spam.)
  - please be as brief as possible by going straight to the point, and if possible, limit the use of attachments

**Never send offensive and insulting messages\*** (this is a violation of the Student Code of Conduct). If you disagree, say so and state your reasons. Social media is a very powerful tool for communication. However, it can be badly misused if it is not used correctly or professionally. For example, you may have personal and legitimate concerns with this course. However, other students, who do not have similar feelings, can be negatively influenced by your concerns. This will unnecessarily and negatively affect their overall experience of the course. Therefore, to minimize such an occurrence, please feel free to directly contact the instructor/tutor first to resolve any concerns that you may have to help ensure that everyone’s online experience of this course is beneficial.

- Always guard against inciting others when it comes to content, opinions, etc. That is, avoid blaming or accusing others of wrong doing.
- Do not start a volley of back-and-forth e-mails, with copies distributed to every student in the class.
- Copy the minimum number of people. That is, send e-mails to only the people you think should receive and will benefit from it.
- Treat all e-mails and postings as permanent forms of written record and do not expect that any your e-mail communications to be private, unless stated otherwise. Instead, assume that all e-mail communications are public.
- Do not publicize your own or others’ personal information (such as email, phone numbers, last names, etc.)

### **Overall Policy and Grading:**

You are responsible for all readings and the completion of assignments on a timely basis. Your grade will be determined by two examinations, a project and the completion of all assignments. Grading is as follows:

**Final Examination:                      50%**

This examination will be essay in nature, done online and will cover all topics in the course.

**Mid-Term Examination: 20%**

This examination will be essay in nature, done online and will cover all topics that are discussed by the first half of the course. The exam will be posted no later than 8 AM on the scheduled exam day and due at 11:59 PM on the same day.

**Project & Assignments: 30%**

**The project will be the development of a RE project investment valuation and business plan.** The project will be discussed after a few Topic Outlines that are needed for background. **An assignment will be a summary paper on the economics of rent.** Class readings are assigned associated with each Outline below. Please accept this statement below as your schedule of regular whole-course text-related reading assignments; coordinate the Outlines we discuss in the recordings with text and other assigned readings as shown in each CANVAS module. I may assign others as we go through the course. Late assignments and projects will have a ½ -grade drop in grade (e.g., A to B+, B+ to B).

**You are required to document all readings from textbooks that you did during the course.**

**Missed Examinations Policy:**

If the midterm or final exam is submitted less than 24 hours after the due date and time, it will have ½ of a grade reduction. After 24 hours, the midterm exam will not be accepted and no grade will be posted for that exam, which means that all the exam portion of your course grade will be based on the final exam only. If the final exam is more than 24 hours late, the course grade issued will be an incomplete as course grades cannot be held up because of one or a few student lateness.

**Final Course Grades:** Final course grades will not be issued by the professor in accordance with University Policy. They are available from the Registrar after they are submitted by the professor. Any questions or inquiries about final course grades will be done in a meeting or phone call, not email.

**Online Venue:**

**Postings:** Every other Tuesday (every two weeks) the recorded lecture and the PowerPoint deck of slides and other accompanying material for the Outline topic will be posted. Each of the 6 course topics will each stand for one module.

**Questions / Discussions:** Please ask questions anytime by regular email or through the CANVAS course website or call the professor. If you use regular email outside CANVAS, please put the course in the subject line. If we need to talk, please feel free to call me on my mobile phone number listed above – I encourage it. Please send me a text

or leave a message and I will call back as soon as possible. I generally do not answer calls with numbers that I do not recognize due to too many robotic and spam calls. As stated above, I also have online office hours every Tuesday from 9 to 10 AM.

**Modules:** As can be observed below and stated above, there are 7 general course topics.

### COURSE OUTLINE

| <u>TOPICS</u>  | <u>ASSIGNMENTS</u>   | <u>READINGS</u>  |
|--|--|--|
| <b><u>Move to Forthcoming Topic Every 2 weeks</u></b>  |  |  |
| <b>1. <u>Fundamentals of RE</u></b>                    | Choose a RE Asset to Develop an Investment Proposal                                | <a href="https://stockcharts.com/freecharts/yieldcurve.php">https://stockcharts.com/freecharts/yieldcurve.php</a><br><b>- click on animate</b><br><br>Read relevant chapters on micro- and macro-economics textbook. |
| <b>2. <u>RE Markets</u></b>                            |  | Read and review efficiency of asst or stock markets from a finance textbook.   |
| <b>3. <u>The Project / RE Business Plan</u></b>        | Create a Project Plan  | Review Material on Business Planning on the CANVAS site.   |
| <b>4. <u>Development of the Pro Forma RE Model</u></b> | Develop a Pro Forma of a RE Project;<br><br>Summary paper on the economics of rent | Read and review articles and relevant portions of a RE textbook on the economics of rent.  |
| <b>5. <u>RE Investment Valuation</u></b>               | AI Valuation of RE Project   | Review relevant chapters from a finance textbook on valuation.   |
| <b>6. <u>RE, Portfolio Theory, and Risk</u></b>        |  | <u>2024-2025 REIT Portfolio Analysis Report</u><br><br>Read relevant sections from Investments textbook on portfolio theory.   |
| <b>7. <u>Debt and Equity Financing</u></b>             |  | Read relevant sections from Finance textbook.  |