Essential for any real estate professional or student performing feasibility studies for property development using Microsoft Excel and two of the most commonly used proprietary software systems, Argus Developer and Estate Master DF. This is the first book to not only review the place of financial feasibility studies in the property development process, but to examine both the theory and mechanics of feasibility studies through the construction of user friendly examples using these software systems. The development process has seen considerable changes in practice in recent years as developers and advisors have adopted modern spread sheets and software models to carry out feasibility studies and appraisals. This has greatly extended their ability to model more complex developments and more sophisticated funding arrangements, saving time and improving accuracy. Tim Havard brings over 25 years of industry and software experience to guide students and practitioners through the theory of development appraisals and feasibility studies before providing internationally applicable worked examples and potential pitfalls using Excel, Argus Developer and Estates Master DF.Property investment markets and applied property research are now recognised as an increasingly important international phenomenon. Written by two of the most respected academics in the field, this authoritative guide provides a fresh and much needed perspective on this important subject. The book examines the unique characteristics of property investment within the context of other capital markets. The emphasis is strongly on the application of analytical tools from other markets to help academics and practitioners alike understand and apply the investment management of property with that of other asset classes. The book is split into three parts, each focusing mainly on direct commercial property: The characteristics of the various asset classes in the investment background The analyses necessary to develop a property portfolio strategy An examination of property in a wider context This book will be invaluable to all undergraduate and postgraduate students on property courses worldwide. It is also an essential tool to understanding this complex and exciting field for students on finance, business and accountancy courses which cover property. Its practical, applied approach means that the book will be a welcome addition to the bookshelf of any researchers or investment managers with an interest in property.PROBLEM WORKBOOKThe fully revised and updated version of the leading textbook on real estate
investment, emphasising real estate cycles and the availability and flow of global capital. Real Estate Investment remains the most influential textbook on the subject, used in top-tier colleges and universities worldwide. Its unique, practical perspective on international real estate investment focusses on real-world techniques which measure, benchmark, forecast and manage property investments as an asset class. The text examines global property markets and real estate cycles, outlines market fundamentals and explains asset pricing and portfolio theory in the context of real estate. In the years since the text’s first publication, conditions in global real estate markets have changed considerably following the financial crisis of 2008-2009. Real estate asset prices have increased past pre-crisis levels, signalling a general market recovery. Previously scarce debt and equity capital is now abundant, while many institutions once averse to acquiring property are re-entering the markets. The latest edition – extensively revised and updated to address current market trends and practices as well as reflect feedback from instructors and students – features new content on real estate development, improved practical examples, expanded case studies and more. This seminal textbook:

Emphasises practical solutions to real investing problems rather than complex theory

Offers substantial new and revised content throughout the text

Covers topics such as valuation, leasing, mortgages, real estate funds, underwriting and private and public equity real estate

Features up-to-date sections on performance measurement, real estate debt markets and building and managing real estate portfolios

Includes access to a re-designed companion website containing numerous problems and solutions, presentation slides and additional instructor and student resources

Written by internationally-recognised experts in capital management and institutional property investing strategies, Real Estate Investment, Second Edition: Strategies, Structures, Decisions is an indispensable textbook for instructors and students of real estate fund management, investment management and investment banking, as well as a valuable reference text for analysts, researchers, investment managers, investment bankers and asset managers.

The core of this text is based on sound economic and finance principles to promote a greater understanding of how real estate financial markets work. The authors blend theory with practice applying the theoretical aspects of financial economics to explain how real estate financial institutions and markets have developed and evolved to their present state, and why they take the forms they do. Dramatic changes in the real estate financial markets and the impact of major federal legislation that applies to real estate finance (especially residential) are addressed. Direct application using ARGUS® software makes this book extremely hands on giving students practical, real-world experience in real estate analysis.

This practical, real-world guide gives investors all the tools they need to make wise decisions when weighing the value and potential of investment properties. Written for old pros as well as novice investors, this friendly, straightforward guide walks readers step by step through every stage of property analysis. Whether you're buying or selling, investing in big commercial properties or single-family rentals, you'll find expert guidance and handy resources on every aspect of real estate finance, including:

* Proven, effective valuation techniques
* Finance tips for all different kinds of property
* How various financing strategies affect investments
* Structuring financial instruments, including leverage, debt, equity, and partnerships
* Measurements and ratios for investment performance, including capitalization rates and gross rent multiplier ratios
* Future and present value analysis
* How the appraisal process works
* Primary appraisal methods-replacement cost, sales comparison, and income capitalization—and how to know which one to use
* How to understand financial statements, including income, balance, and cash flow
* Case studies for single-family rentals, multifamily conversions, apartment complexes, and commercial office space
* A detailed glossary of important real estate terminology

Real estate represents an increasingly significant global asset class and its distinctive
characteristics must be understood by investors and researchers. The Routledge
Companion to Real Estate Investment provides an authoritative overview of the real
estate asset class. The Companion focuses on the current academic research and its
relevance for practical applications. The book is divided into four parts, each
containing specially written chapters by international experts in the relevant
field. The contributors cover the institutional context for real estate investment,
the main players in real estate investment, real estate appraisal and performance
measurement, and real estate portfolios and risk management. This Companion provides
a comprehensive reference for students, academics and professionals studying,
researching and working in real estate investment, finance and economics.
Practical Finance for Property Investment provides readers with an introduction to the most
fundamental concepts, principles, analytical methods, and tools useful for making
investing and financing decisions regarding income-producing property. The book
begins by considering how to value income-producing property by forecasting a
property’s cash flows and estimating appropriate discount rates. It then discusses
how both debt and private equity are used as methods to finance a property’s
acquisition. The book provides a thorough discussion of the taxation of property
income as well as how investors can quantify the risks to investing in property. The
book concludes with important considerations for investors when their investment
thesis does not come to fruition.
Practical Finance for Property Investment offers a unique and novel pedagogy by pairing each book chapter with an in-depth real-world
case study, which forces readers to confront the occasional tensions between finance
theory and property investment practice. The book is designed for investors and
students interested in learning what finance theory implies about property
investment. Readers and Instructors can access electronic resources, including the
spreadsheets used in the textbook, at the book’s website: www.routledge.com/9780367333041.
Real Estate Investment: A Strategic Approach
provides a unique introduction to both the theory and practice of real estate
investing, and examines the international real estate investment industry as it
reacts to the global financial crisis. Andrew Baum outlines the market and the
players who dominate it; the investment process; the vehicles available for
investment; and a suggested approach to global portfolio construction. The book
contains many useful features for students including discussion questions, a full
further reading list and case studies drawing on international examples from the UK,
continental Europe, the USA and Asia. Ideal for undergraduate and postgraduate
students on all real estate and property courses and related business studies and
finance courses, Real Estate Investment is designed to provide a foundation for the
next generation of investment managers, advisers and analysts. Further resources for
lecturers and students are available at: www.routledge.com/cw/baum
Decision makers face a staggering array of problems in business and economics. Managers of growing
firms have to decide when to exercise growth options and expand their business.
Governments have to decide whether to undertake large infrastructure investments.
Managers of oil firms must decide how rapidly to deplete their reserves. Owners of
land must decide when and how to develop their asset. Operators of power plants must
decide when to start them up and when to shut them down. While these problems seem
quite diverse, they share many important features. In each case, the decision
maker must choose when to take a particular action that will be difficult, if not
impossible, to reverse. In each case, the consequences of taking (or not taking)
that action are uncertain. And in each case, the timing and nature of the actions
taken by the decision makers directly affect the cash flows generated by the entities
they manage. Real options that arise in the real world often vary radically from one
problem to another. These differences may arise due to the particular real options
embedded in the projects and the order in which they can be exercised. They may
arise due to different underlying sources of uncertainty (with possibilities ranging
from easily observable commodity prices to almost unquantifiable factors such as the
technological viability of a project. The possibilities are almost endless. This book focuses on building a general approach to solving real options problems from the ground up to show readers how real options can be assembled in a way appropriate to the individual problem being analyzed. The book, part of the Financial Management Association Survey and Synthesis Series, will be a valuable asset to practitioners who want to develop their analytical techniques and also graduate students who will eventually become practitioners. It presents building blocks needed to carry out successful real options analysis and shows how these can be assembled in a way that is appropriate to a wide variety of problems in business and economics. The book contains a CD with spreadsheets that can be to fit the wide variety of real-world problems that readers will confront. This book provides readers with a basic understanding of the principles that underlie real estate development. A brief historical overview and an introduction to basic principles are followed by examples from practice. Case studies focus on how cities change and respond to the economic, technological, social, and political forces that shape urban development in North America. It is important to have a framework for understanding the risks and rewards in real estate investing. In measuring return, consideration must be given to both investment appreciation and the cash flow generated over the life of a project. In addition, metrics are presented that can be useful in assessing the financial feasibility of a real estate development proposal. This book also provides an overview of the forces of supply and demand that gauge the potential market for a new project. In determining the size of “residual demand”, estimates for population growth, family formation, and new development are important. All development projects fall under the auspices of one or several jurisdictions. Though every jurisdiction has different rules and procedures, basic knowledge of the planning process is critical to the success of all development projects regardless of location. Furthermore, all projects have a legal component. Basic issues of land ownership, property rights, property transfer, and land registration are reviewed, all of which need to be considered when a property is sold or purchased. This book also provides a primary on the design and construction process. In constructing a building, a team of experts is first required to design the architectural, structural, and heating, ventilation, and air conditioning (HVAC) systems for a building. An overview is provided of each building system: wood, concrete, and steel. Critical to a successful real estate development, project management principles for the processes of design, bidding, and construction are explored, with close attention given to budgeting, scheduling, and resource management. Essential reading for anyone involved in the development of our built environment, this is a must-read introduction for students and professionals in architecture, urban planning, engineering or real estate seeking an approachable and broad view of real estate development and finance. The text is meant to bridge the gap between financial theory and practice. It gives instructors a way to introduce students to academic articles edited to eliminate the methodological content. The articles were originally edited for practitioners, so they are perfect for the MBA student. This reader is the perfect packaging option for any of our Corporate Finance texts. Market Analysis for Real Estate is a comprehensive introduction to how real estate markets work and the analytical tools and techniques that can be used to identify and interpret market signals. The markets for space and varied property assets, including residential, office, retail, and industrial, are presented, analyzed, and integrated into a complete understanding of the role of real estate markets within the workings of contemporary urban economies. Unlike other books on market analysis, the economic and financial theory in this book is rigorous and well integrated with the specifics of the real estate market. Furthermore, it is thoroughly explained as it assumes no previous coursework in economics or finance on the part of the reader. The theoretical discussion is backed up with numerous real estate case study examples and problems, which are presented throughout the text to assist both
student and teacher. Including discussion questions, exercises, several web links, and online slides, this textbook is suitable for use on a variety of degree programs in real estate, finance, business, planning, and economics at undergraduate and MSc/MBA level. It is also a useful primer for professionals in these disciplines. The subject of real estate is increasingly becoming important, especially in the countries of the developing world. States and governments realise that real estate is a corner stone of socio-economic development. Real estate development contributes immensely to the gross physical capital formation. Its formation, construction and ancillary sectors contribute to the employment, infrastructure development and gross domestic product. The main challenges about real estate is about where to develop it, how to develop it, how to manage and compute valuations about it. Such are the issues discussed in this volume. The book draws on Zimbabwe as a case study, to demonstrate the critical aspects that define theory and real estate practice in various contexts – national, regional and international. Real Estate Investment: A Strategic Approach provides a unique introduction to both the theory and practice of real estate investing, and examines the international real estate investment industry as it reacts to the global financial crisis. Andrew Baum outlines the market and the players who dominate it; the investment process; the vehicles available for investment; and a suggested approach to global portfolio construction. The book contains many useful features for students including discussion questions, a full further reading list and case studies drawing on international examples from the UK, continental Europe, the USA and Asia. Ideal for undergraduate and postgraduate students on all real estate and property courses and related business studies and finance courses, Real Estate Investment is designed to provide a foundation for the next generation of investment managers, advisers and analysts. Further resources for lecturers and students are available at:

www.routledge.com/cw/baum

Based on sound economic and finance principles, the primary goal of this market-leading text is to promote a greater understanding of how real estate financial markets work. The authors blend theory with practice applying the theoretical aspects of financial economics to explain how Real Estate financial institutions and markets have developed and evolved to their present state, and why they take the forms they do. The impact of major federal legislation that applies to real estate finance (especially residential) is also addressed. Beginning with a theoretical analysis of housing finance in the context of housing markets and financial intermediation generally, the authors then analyse, drawing on international experience, each of the main types of housing finance system: informal, deposit taking, contract and mortgage bank. Various aspects of the market are covered using examples drawn from the UK and elsewhere, including the regulatory framework, contemporary developments and securitization and secondary markets. Critical public policy issues, such as housing and the real economy, and housing subsidies, are analysed in detail. Finally the authors examine the future for housing and the housing finance market. Explaining how finances drive each decision in the real estate development process, this helpful industry guide recognizes the complexities and significant risks of each project and illustrates how to reconcile conflicting elements to ultimately achieve success. A 36-year real estate development veteran, author Charles Long shares the practical information and personal insights that he has gained over the course of his career, and weaves relevant real world examples into the text, helping to clarify the principles necessary to effectively manage a project in today's financial landscape. Ideal both for those starting out in real estate development and experienced professionals who want to learn the theory behind the practice, this book offers a different perspective on making the monetary decisions that are involved in property development projects. The core of this text is based on sound economic and finance principles to promote a greater understanding of how real estate financial markets work. The authors blend theory with practice applying the theoretical aspects of
financial economics to explain how real estate financial institutions and markets have developed and evolved to their present state, and why they take the forms they do. Dramatic changes in the real estate financial markets and the impact of major federal legislation that applies to real estate finance (especially residential) are addressed. Direct application using ARGUS? software makes this book extremely hands on giving students practical, real-world experience in real estate analysis.

Foundations of Real Estate Financial Modelling is specifically designed to provide an overview of pro forma modelling for real estate projects. The book introduces students and professionals to the basics of real estate finance theory before providing a step-by-step guide for financial model construction using Excel.

The idea that real estate is an asset with unique characteristics which can be transformed, both physically and financially, forms the basis of discussion. Individual chapters are separated by functional unit and build upon themselves to include information on: Amortization Single-Family Unit Multi-Family Unit Development/Construction Addition(s) Waterfall (Equity Bifurcation) Accounting Statements Additional Asset Classes Further chapters are dedicated to risk quantification and include scenario, stochastic and Monte Carlo simulations, waterfalls and securitized products. This book is the ideal companion to core real estate finance textbooks and will boost students Excel modelling skills before they enter the workplace. The book provides individuals with a step-by-step instruction on how to construct a real estate financial model that is both scalable and modular. A companion website provides the pro forma models to give readers a basic financial model for each asset class as well as methods to quantify performance and understand how and why each model is constructed and the best practices for repositioning these assets.

As real estate investment trusts continue to grow exponentially in Asia and Europe – being already well established in the USA and Australasia – a comprehensive guide to the issues involved in REIT property investment decision making is badly needed. This book draws together the most recent developments in REIT management from academic research and professional practice. It is based on current, original academic research, including structured interviews with the managers of a wide range of different types of REITs as well as the research and publications of others, together with the author's 25 years experience in REIT management. It provides a theoretically robust and practically relevant up to date guide to the property investment decision making process for REITs. Presenting new insights, the author breaks the REIT property investment decision making process down into three phases comprising six stages with 30 sequential steps. Each chapter focuses on one stage of the property investment decision making process and introduces the key people in the REIT management team relevant to the activities in that chapter. The theory and principles are considered and illustrated by application to Super REIT, a $15bn diversified REIT. Global Real Estate Investment Trusts: People, Process and Management fuses not only how REITs should undertake property investment decision making – based on how it is undertaken and the underlying property theory, capital market theory and finance theory – but also why each part of the decision making process is important. This book provides the first sole-authored scholarly work specifically on REITs as a business enterprise and REIT property investment decision making as an holistic and cyclical process. The focus is on principles, making it relevant in each of the four major REIT markets around the world: USA, Europe, Asia and Australasia. An essential book for REIT managers and all those practising professionals involved in the REIT industry – including property practitioners, researchers, lawyers, accountants, bankers and directors around the world. A unique, international approach to optimal real estate financing Property Finance is an authoritative guide to both the financial and legal issues surrounding real estate financing. Unique in its exclusive focus on the topic, this book builds from a solid theoretical foundation to provide practical tools and real-world solutions. Beginning with a discussion of the general issues encountered in real estate finance
from an international perspective, the authors delve into country-specific information and set out the legal peculiarities of eight important countries (Germany, France, Italy, Spain, China, India, England and Wales) by asking questions of relevance to the leading local law firms specializing in real estate financing. The reader may thus consider in greater depth the problems relating to any given country and compare and contrast the positions under different legal systems. Examples with numerical calculations and contract excerpts enhance the explanations presented, and are immediately followed by practical case studies that illustrate the mechanisms at work. The companion website features downloadable spreadsheets used in the examples, power point presentations, as well as real estate news and more. Property financing entails many sources of capital, including both debt and equity resources as well as hybrid forms like preferred equity and mezzanine debt. Knowing how to work with these avenues is important to ensuring financial sustainability in real estate assets. Property Finance covers the most common issues encountered, helping readers prepare for and find a way around possible roadblocks. Consider the issues surrounding real estate lending at an international level Compare and contrast the positions under different legal systems Develop an international perspective on cash flows and financing agreements Use powerful tools to structure financing and gauge its effects on property financing The success of a real estate investment is dependent upon optimal financing, and a mere bird’s eye view of the topic does not fully prepare investors for issues ahead: Property Finance provides a knowledge-based approach to real estate investment, detailed information and powerful tools. Expert advice that applies the theory and practice of investment management to today’s financial environment. The changing nature and rapid growth of the investment management industry, along with new theoretical developments in the field of finance, have led to a need for higher quality investment management practices and better qualified professionals. The Theory and Practice of Investment Management recognizes these needs and addresses them with sharp, innovative insights from some of the most respected experts in the field of investment management. The Theory and Practice of Investment Management discusses and describes the full scope of investment products and strategies available in today’s market. Led by financial experts Frank Fabozzi and Harry Markowitz, the contributors to this book are active, successful practitioners with hands-on expertise. By combining real-world financial knowledge with investment management theory, this book provides a complete analysis of all pertinent investment products—including hedge funds and private equity—and explores a wide range of investment strategies. Tying together theoretical advances in investment management with actual applications, this book gives readers an opportunity to use proven investment management techniques to protect and grow a portfolio under many different circumstances. Practical, up-to-date, and authoritative—written by a 30-year veteran of teaching and practice in real estate finance—this book teaches real estate practitioners and pre-license candidates the theory and practice of real estate finance. It covers all aspects of real estate finance, emphasizing residential practices and policies. The initial chapters cover the basic theoretical framework of finance; later chapters address practical applications of finance—offering specific examples, forms, and math work applicable to specific finance practices. It uses a transactional approach—defining concepts and discussing practical applications as they would be encountered in real life. The book introduces corporate finance to first year students in business schools. Basic subjects such as marketing, human resources and finance are all fundamental to the learning of a business manager. A book on these subjects must emphasise learning that is conceptual in nature and at the same time, application oriented. This book attempts to achieve this in a manner that is comprehensive and shorn of complexity. It examines the practice of finance without diluting theory and conceptual knowledge. Corporate finance is necessarily quantitative in nature and the book duly places
emphasis on that aspect. It ensures the primacy of ideas and concepts utilising numbers as supportive elements. The subject of real estate is increasingly becoming important, especially in the countries of the developing world. States and governments realise that real estate is a cornerstone of socio-economic development. Real estate development contributes immensely to the gross physical capital formation. Its formation, construction and ancillary sectors contribute to the employment, infrastructure development and gross domestic product. The main challenges about real estate is about where to develop it, how to develop it, how to manage and compute valuations about it. Such are the issues discussed in this volume. The book draws on Zimbabwe as a case study, to demonstrate the critical aspects that define theory and real estate practice in various contexts - national, regional and international. Using an effective blend of theory and practice, Essentials of Real Estate Investment helps students navigate potential investment opportunities in the current real estate market. This user-friendly and interactive text explores the latest investment trends, tax laws, regulations, and market conditions. Highlights: * The text is divided into principles and practices sections, allowing instructors to adjust the curriculum to meet their needs. * Concise workbook format facilitates student learning and simplifies complex tax regulations. * Examples show students how to analyze investments using calculators such as the HP 12C. * Free Instructor Resource Guide includes a course outline, chapter quizzes, and answer keys. An analysis of current findings on mortgage-lending discrimination and suggestions for new procedures to improve its detection. In 2000, homeownership in the United States stood at an all-time high of 67.4 percent, but the homeownership rate was more than 50 percent higher for non-Hispanic whites than for blacks or Hispanics. Homeownership is the most common method for wealth accumulation and is viewed as critical for access to the most desirable communities and most comprehensive public services. Homeownership and mortgage lending are linked, of course, as the vast majority of home purchases are made with the help of a mortgage loan. Barriers to obtaining a mortgage represent obstacles to attaining the American dream of owning one’s own home. These barriers take on added urgency when they are related to race or ethnicity. In this book, Stephen Ross and John Yinger discuss what has been learned about mortgage-lending discrimination in recent years. They re-analyze existing loan-approval and loan-performance data and devise new tests for detecting discrimination in contemporary mortgage markets. They provide an in-depth review of the 1996 Boston Fed Study and its critics, along with new evidence that the minority-white loan-approval disparities in the Boston data represent discrimination, not variation in underwriting standards that can be justified on business grounds. Their analysis also reveals several major weaknesses in the current fair-lending enforcement system, namely, that it entirely overlooks one of the two main types of discrimination (disparate impact), misses many cases of the other main type (disparate treatment), and insulates some discriminating lenders from investigation. Ross and Yinger devise new procedures to overcome these weaknesses and show how the procedures can also be applied to discrimination in loan-pricing and credit-scoring. This book is dedicated to real estate scholastic work, in advancing the greater understanding of real estate investment analysis. This is because there has been limited research in bringing out clearly the uncertainty or risk, which is quantifiable uncertainty in real estate market analysis. Even real estate market research, which is carried out as an industry practice among private real estate researchers, is no exception. Another reason is that it has been widely accepted that while the financial revolution has substantially changed many sectors of the financial industry, it has made little impact on real estate development and investment practice as ill as scholastic work. Furthermore, while it is readily acknowledged that despite its huge share in the world’s wealth, real estate investment discipline and research is on the whole still a poorly researched subject area. As a result, the industry tends to be dominated by traditional real estate analysts with
little understanding of real estate market uncertainty and capital markets. These commentators are widely regarded to spend too much time worrying about local space supply and demand conditions, while totally losing sight of the everchanging real estate market and capital market conditions. The theme of this book is real estate investment analysis of direct and indirect real, which in turn can be appropriately managed under economic theory and the theoretical conceptions of real estate finance, provided the uncertainty is quantifiable. The book deploys case studies involving Singapore and Asia. This Black over White background viii framework enables real estate market analysis to attempt what defines the Asian direct and indirect real estate sectors; what is being measured; how it behaves (in terms of price and non-price factors); how it is structured and how it effectively achieves the objectives of sustainable total returns and manageable real estate market uncertainty. Managing real estate market uncertainty optimally is achieved at the portfolio level through real estate asset allocation. This is important because the real estate portfolio is able to virtually eliminate the unique (i.e. specific) uncertainties among the various Asian real estate sectors; thus retaining within the portfolio only the systemic (i.e. market-wide) uncertainty. Apart from real estate asset allocation, the alternative and modern approach to risk management at the portfolio level, is the value-at-risk (VaR) approach. Another modern and important alternative to coping with uncertainty is real option analysis and pricing that help to better define real estate market uncertainty in extent and time. Real option analysis and pricing also represent uncertainty via a decision tree and the risk-neutral probability conception, in order to comprehend how uncertainty impacts on the value of real estate investment decisions. The pricing of uncertainty is based on the risk-free hedge security conception. These are best examined at the micro level of the investment in a real estate development opportunity on vacant land. Nevertheless, the real estate sectors in Singapore and Asia offer promising prospects since the Asian currency crisis of 1997. It is now timely to take stock and make an assessment of how the sectors would pan out for the future, Ill into at least rest the next century. I am very pleased to present our thinking and research in international real estate with particular emphasis on Asia. The region’s vast potential for real estate is itself a large incentive for international real estate research and education that has inspired me to document the significant work I have done over the years. Black over White background ix I wish all readers a pleasurable reading of this book, and I thank you sincerely for your support without which the publication of this book would be made all the more difficult. Dr HO, Kim Hin / David Honorary Professor (University of Hertfordshire, UK) (International Real Estate & Public Policy) March 2021.Revised edition of Corporate finance, 2014.A unique, international approach to optimal real estate financing Property Finance is an authoritative guide to both the financial and legal issues surrounding real estate financing. Unique in its exclusive focus on the topic, this book builds from a solid theoretical foundation to provide practical tools and real-world solutions. Beginning with a discussion of the general issues encountered in real estate finance from an international perspective, the authors delve into country-specific information and set out the legal peculiarities of eight important countries (Germany, France, Italy, Spain, China, India, England and Wales) by asking questions of relevance to the leading local law firms specializing in real estate financing. The reader may thus consider in greater depth the problems relating to any given country and compare and contrast the positions under different legal systems. Examples with numerical calculations and contract excerpts enhance the explanations presented, and are immediately followed by practical case studies that illustrate the mechanisms at work. The companion website features downloadable spreadsheets used in the examples, power point presentations, as well as real estate news and more. Property financing entails many sources of capital, including both debt and equity resources as well as hybrid forms like preferred equity and mezzanine debt.
Knowing how to work with these avenues is important to ensuring financial sustainability in real estate assets. Property Finance covers the most common issues encountered, helping readers prepare for and find a way around possible roadblocks. Consider the issues surrounding real estate lending at an international level Compare and contrast the positions under different legal systems Develop an international perspective on cash flows and financing agreements Use powerful tools to structure financing and gauge its effects on property financing The success of a real estate investment is dependent upon optimal financing, and a mere bird's eye view of the topic does not fully prepare investors for issues ahead: Property Finance provides a knowledge-based approach to real estate investment, detailed information and powerful tools.DECISION-MAKERS IN BUSINESS AND ECONOMICS FACE A STAGGERING ARRAY OF PROBLEMS. FOR EXAMPLE, MANAGERS OF GROWING FIRMS HAVE TO DECIDE WHEN TO EXPAND THEIR BUSINESS, GOVERNMENTS HAVE TO DECIDE WHETHER TO UNDERTAKE LARGE INFRASTRUCTURE INVESTMENTS, AND MANAGERS OF OIL FIRMS MUST DECIDE HOW RAPIDLY TO DEPLETE THEIR RESERVES. WHILE THESE PROBLEMS SEEM QUITE DIVERSE, THEY ALL SHARE MANY IMPORTANT FEATURES. IN EACH CASE, THE DECISION-MAKER MUST CHOOSE WHEN TO TAKE A PARTICULAR ACTION THAT WILL BE POTENTIALLY IMPOSSIBLE TO REVERSE, AND THE CONSEQUENCES OF TAKING (OR NOT TAKING) THAT ACTION ARE UNCERTAIN. ALSO, THE TIMING AND NATURE OF THESE ACTIONS DIRECTLY AFFECT THE CASH FLOWS GENERATED BY THE ENTITIES THEY MANAGE. THIS BOOK EXPLAINS HOW TECHNIQUES ORIGINALLY DEVELOPED TO PRICE FINANCIAL DERIVATIVES CAN BE USED TO ANALYZE REAL-WORLD DECISIONS, AND PROVIDES THE TOOLS NECESSARY TO PUT THEM INTO PRACTICE. THE REAL OPTIONS ANALYSIS APPROACH TO DECISION-MAKING IS BUILT ON STRONG THEORETICAL FOUNDATIONS, AND IS WIDELY DISCUSSED IN PRACTITIONER LITERATURE, BUT OFTEN ONLY AT A FAIRLY INTUITIVE LEVEL. WHAT PRACTITIONERS NEED—AND WHAT THIS BOOK DELIVERS—is A STRUCTURED APPROACH TO SYSTEMATICALLY APPLYING REAL OPTIONS ANALYSIS TO THE WIDE VARIETY OF PROBLEMS THEY WILL MEET IN BUSINESS AND ECONOMICS. REAL OPTIONS IN THEORY AND PRACTICE FOCUSES ON BUILDING UP A GENERAL APPROACH TO SOLVING REAL OPTIONS PROBLEMS FROM THE GROUND UP. RATHER THAN Aiming TO BUILD A "BLACK BOX" TO SOLVE A SMALL SET OF STANDARDIZED REAL OPTIONS PROBLEMS, IT DESCRIBES THE BUILDING BLOCKS OF ANY SUCCESSFUL REAL OPTIONS ANALYSIS AND SHOWS HOW THEY CAN BE ASSEMBLED IN A WAY THAT IS APPROPRIATE TO THE PROBLEM BEING ANALYZED. FOR BOTH PRACTITIONERS AND ACADEMICS, REAL OPTIONS IN THEORY AND PRACTICE WILL SERVE AS AN AUTHORITATIVE AND INVALUABLE RESOURCE FOR THOSE LOOKING FOR EFFECTIVE AND PRACTICAL SOLUTIONS TO COMPLEX, REAL-LIFE PROBLEMS.