



REAL 3810 Real Estate Market Analysis
Fall 2020
0.5 Credits

General Course Information

Instructor:	Paul Anglin
<i>Email</i>	panglin@uoguelph.ca Please include the course code in the subject line or your message may be deleted without being read. Some questions can be answered by checking CourseLink.
<i>Office Location</i>	MINS 213F (but, given Covid-19, you will rarely see me there)
<i>Office Hours</i>	Tuesdays and Thursdays 4:00- 4:30 on Zoom (i.e. immediately after class) or by appointment (given generously)
<i>Department/School</i>	Marketing and Consumer Studies
Class Schedule:	Tuesdays and Thursdays 2:30- 3:50
Pre-requisites:	REAL*1820 and (ECON*2740 or STAT*2060)

Course Description

In this course, students examine the processes used to analyze supply and demand in the real estate market. The course focuses on using research methodologies to define the scope of analysis; identify data needs; collect information from various sources, including on-line resources; and interpret the results. Applications to different property types are discussed. Current market trends are also examined. As well, the course deals with marketing real estate: listing procedures, advertising, negotiating.

Course Learning Outcomes

Upon successfully completing this course, a student should be able to

- Create a thoughtful business plan
- Evaluate data sources and describe data
- Analyse market trends and property-specific features, including distinguishing an “indicator” and a “driver”
- Estimate multivariate relationships using regression analysis, and to apply the output for purposes of prediction, hypothesis testing, Sensitivity Analysis and What If Analysis
- Recognize the difference between statistical significance and operational significance, and to discriminate between “important” and “trivia”.

Knowledge and Understanding:

Describe the process of preparing a business plan, plus understand its purpose and many uses
Able to apply statistical tools when making decisions

Discipline/Professional and Transferable Skills:

Able to use evidence effectively when planning
Able to analyse trends

Able to analyse multivariate relationships
 Able to create predictions and to evaluate their reliability

Attitudes and Values

Enhance curiosity and improve judgment

Anticipated Schedule (subject to change)

Class	Date	Topics and Associated Readings
1	Sept. 10	Introduction (Ch. 1) Market analysis produces evidence for a Business Plan (see Notes on Business Plans and on Financial Statements) On an on-going basis, students should read https://renx.ca/ or https://www.bisnow.com/toronto or other newsletter on the industry
2	Sept. 15	Business plans (cont.) Basics of Market Analysis (Ch. 2 and 3)
3	Sept. 17	Residential Property (Ch. 4)
4	Sept. 22	Consumers
5	Sept. 24	More on Consumers
6	Sept. 29	Estimation and Prediction: Lab on Price Functions (Please you read the <i>Step-by-Step Instructions</i> before class begins. For lots more info, see <i>Notes on Hedonic Price Functions.</i>)
7	Oct. 1	Guest Speaker: Karl Innanen (Colliers, http://www.colliers.com/)
8	Oct. 6	Prediction I: Sensitivity Analysis and What if Analysis
9	Oct. 8	Prediction II: Puzzles and Reliability Problems: Questions to ask a Consultant
	Oct. 13	Fall Break
10	Oct. 15	Case I: Guelph Apartment Market
11	Oct. 20	Office and Industrial Property (Ch. 6 and 7)
12	Oct. 22	Midterm Test
13	Oct. 27	More on Office and Industrial Property
14	Oct. 29	Retail Property (Ch. 5)
15	Nov. 3	Guest Speaker: Roelof van Dijk (CoStar Group http://costargroup.ca/)
16	Nov. 5	Review of Midterm
17	Nov. 10	More on Retail
18	Nov. 12	Trend Analysis and Extrapolation
19	Nov. 17	Guest Speaker
20	Nov. 19	Lab on evaluating time series analysis
21	Nov. 24	Planning Process (e.g. LPAT, formerly the OMB)
22	Nov. 26	Guest Speaker: Astrid Clos (Astrid J. Clos Planning Consultants)
23	Dec. 1	Property Taxes and Municipal Finances
24	Dec. 3	"The Ultimate Lecture" (i.e. your choice)

Course Assessment

Associated Learning Outcomes **Due Date**

Case 1	10%	Guelph Rental Market	d, e	Oct. 15
Case 2 (A, B)	10%	Executive Summaries	a, b	A: Sept. 24 B: Nov. 10
Online Cases (A, B)	20%	See questions to be posted on Courselink	b, c, e	A: Oct. 29 B: Nov. 24
Neighbourhood Report	5%	Report on a Toronto Neighbourhood		Nov. 10
Midterm	25%	Midterm	a- e	Oct. 22
Final Exam	30%	Final Exam	a- e	Mon. Dec. 7 11:30
Total	100%			

Teaching and Learning Practices

Lectures This year's class will be different, for the obvious reason, but the goal remains the same: to have you learn as much as possible about ideas that you will use repeatedly in the future. Sometimes, the ideas will be a technique and sometimes the idea will be embodied by a technique.

So, for many students, the real challenge will not be found in "what learning objectives are covered" but in what they need to "uncover" or "discover" for themselves. Almost all of the ideas in this course have been explored in your previous courses separately, but good market analysis requires a student to "put it all together". Combining ideas, and finding that they almost-but-not-quite fit, may uncover points of confusion not noticed before.

The course emphasizes the operational implications of market analysis from a user's perspective in ways which account for imperfections. Some students may find this perspective challenging because, in a classroom, there are ways to evade a difficult question which are valid in theory, and could result in a high grade in class, but which should not be used on-the-job. Realism dictates that we should focus on non-trivial, measurable concepts to tell a story that leads to a decision.

Sometimes, you may ask "why is ... necessary for market analysis?". Often, my response would emphasize that ... is part of a rigorous research process. Rigour helps you to avoid some of the many ways to mislead yourself (and others), of which the most common way is to start by thinking that you already know the conclusion or implied business decision. A related lesson may be that, since opportunities start as surprises, you should hope that your analysis finds something surprising.

In summary, participation matters, both for your own benefit (as you meet the challenges posed in class in real time) and to help your classmates (as the different perspectives of different individuals add to an overall understanding). Thus, I strongly encourage you to **not** rely on recordings.

Grading Your grade on tests and reports will depend, in part, on your ability to explain your answer. A simple statement of an answer is not good enough since it may be wrong, since it cannot convince somebody who does not already believe in that answer and since it reveals no insight or awareness on your part that might spark a helpful comment from your audience. Further, the ability to explain an answer depends on being able to identify the relevant question.

You may notice that these skills are also relevant in any future career. So, I hope that you use the opportunity to practice them. For more details, please read the file I posted on Courselink concerning Explaining.

Course Resources

Required Text:

Brett, D. 2019. *Real Estate Market Analysis*, Urban Land Institute, **third** edition

Other Resources:

Please see Courselink for a variety of supplements.

In particular, you may also wish to read the file called “Take Away Ideas”. Though the current version is from last year’s class, and will be updated a little before each test, it will not change so much that last year’s ideas become “wrong”.

Course Policies

Disclaimer

Please note that the ongoing COVID-19 pandemic may necessitate a revision of the format of course offerings and academic schedules. Any such changes will be announced via CourseLink and/or class email. All University-wide decisions will be posted on the COVID-19 website <https://news.uoguelph.ca/2019-novel-coronavirus-information/> and circulated by email.

All students are expected to abide by the University’s academic regulations in the completion of their academic work, as set out in the undergraduate calendar (see <http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/index.shtml>).

Some policies:

On-Line Communication: If relevant, I will communicate with you via your uoguelph.ca email account or Courselink. Please check them from time to time. I will try to respond to your emails within 24 hours, assuming that the message contains an informative subject line.

Attendance: This course involves substantial discussion designed to identify the scope of a problem before attempting to solve it. Thus, attendance and participation are encouraged. It will also help to read the relevant material before arriving in class, in order to know what might be confusing and to ask clarifying questions during a class.

Submitting: Unless noted otherwise, case reports or assignments must be handed in at or before the beginning of class on the due date, since the class discussion on that day may focus on the

case material. Electronic submission is acceptable with one condition and one strong suggestion. First, that you trust the quality and the layout used by my printer; docx or pdf formats are acceptable. And, mostly for my benefit, I **strongly suggest** that you use a unique name for the file: a name such as “3810 JD.Case 1.docx” is much better (if your name is Jane Doe) than a name used by everybody else (i.e. “Case 1.docx”).

Team Work: This skill is valued by employers and is something you should learn during your time here. For advice on working effectively in a group, please see the Learning Commons <https://learningcommons.lib.uoguelph.ca/search/node/group%20conflict> A group is more effective if meetings start and end on time, if people accept responsibility, if discussions focus on problems not personality issues, and so on. If your group has a problem then try to fix it yourselves first. If that is not enough then I hope that somebody sends an email to the group *before the deadline* with an outline of the issue and includes me in the cc.

Grading Policies

Late assignments will not be accepted once the answers have been discussed in class or returned to the class at large, unless alternative arrangements have been made in advance. Unless you have discussed an extension with me well ahead of the due date, late penalties of 10 percent of the total grade earned per day (including weekends) will be assigned to any assessment (i.e. deducted from the total mark). Extensions will only be granted on the basis of valid medical or personal reasons, and need to be requested via email as soon as possible.

If you have religious observances which conflict with the course schedule or if you are registered with Student Accessibility Services, please contact me to make arrangements for your assessment if appropriate.

Students who find themselves unable to meet course requirements by the deadlines or the criteria expected because of medical or personal reasons, should review the regulations on academic consideration in the Academic Calendar and discuss their situation with the instructor, program counselor or other academic counselor as appropriate.

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-grds.shtml>

The next section contains university policies concerning academic integrity. Do **not** copy work done by others except with proper acknowledgement. I assume that anything submitted by you and written **without quotation marks** represents your work. Please note that such issues are a special problem with group work and that each member of your team is responsible for the work of every other member.

Mostly, I trust you to act ethically **because** there are many reasons for you to do your own work. A test is not just used to judge how well you can repeat what was told to you. The most important reason for you to do your own work is that no project that you will see in the real world will look exactly like the test or exercise that you are being graded on. The most interesting projects in the real world will involve things that are too new to be included in any textbook. The best students take advantage of these guided opportunities to go beyond what

is taught in class. Doing your own work now teaches you how the work is done so that you can do better in the future. Doing your own work now is an investment so that, later, you will find that your job is not so hard that you will be tempted to look for an improper short cut. For these reasons, the process by which you arrive at an answer (and your explanation) is at least as important to you as the answer itself. These thoughts and more are discussed in <https://lybio.net/professor-brian-harvey-on-why-not-to-cheat/education/>.

Finally, I note that many of the problems labelled as “academic integrity problems” result from poor time management or from carelessness. Since potential employers are also concerned about these habits, any concerns about “academic integrity” are not isolated to the university.

University Policies

Illness

The University will not normally require verification of illness (doctor's notes) for fall 2020 or winter 2021 semester courses. However, requests for Academic Consideration may still require medical documentation as appropriate.

Academic Misconduct

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:
<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-amisconduct.shtml>

Accessibility and Accommodation

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact Student Accessibility Services as soon as possible. For

more information, contact SAS at 519-824-4120 ext. 56208 or email sas@uoguelph.ca or see the website: <https://wellness.uoguelph.ca/accessibility/>

Course Evaluation Information

Please refer to the [Course and Instructor Evaluation Website](#)

Recording of Materials

We need to discuss this issue. A couple of considerations:

- 1/ Presentations which are made in relation to course work—including lectures—cannot be recorded or copied without the permission of the presenter, whether the instructor, a classmate or guest lecturer. Material recorded with permission is restricted to use for that course unless further permission is granted.
- 2/ Most meeting software, such as Zoom, displays a notice to everybody when one person tries to start a recording on their own.
- 3/ A recording might give you the content of the discussion but I hope for the class to be more interactive. By relying on a recording, your classmates do not benefit from your contributions, and you fail to see the difference between material which is covered and what you can discover.

Drop date

The last date to drop one-semester courses, without academic penalty, is Dec. 4, 2020. For regulations and procedures for Dropping Courses, see the Academic Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-drop.shtml>