

City of Seattle – Equity Development Initiative (EDI) Real Estate Finance

PRESESSION ASSIGNMENT

- Review course agenda

DAY 1

- 8:30 a.m.** **COFFEE AVAILABLE**
- 9:00** **WELCOME AND INTRODUCTIONS**
- 9:15** **COMMUNITY DEVELOPMENT PRINCIPLES**
- Major Actors
 - Stages in the Development Process
 - Key Issues
- 10:30** **KEY FINANCIAL ANALYSIS DOCUMENTS**
- Source and Use Statement
 - Operating Pro Forma
 - Calculating Debt Service
 - Developer Returns (Cash on Cash Rate of Return)
- CASE STUDY – WIDCO – Assignment 1**
- 11:45** **CAPITALIZATION RATES AND FAIR MARKET VALUE**
- CASE STUDY – CAPCO**
- 12:30** **LUNCH**
- 1:30** **PERMANENT LENDING UNDERWRITING AND RATIO ANALYSIS**
- Underwriting Issues
 - Lender Ratios
- CASE STUDIES - The Loan**
 Aquarium Arms #1
- CASE STUDY – Aquarian Arms – Assignment #2**
- 3:00** **TAXES AND REAL ESTATE DEVELOPMENT**
- Cash Flow After Tax
 - Depreciation

DAY 2

- 8:00 a.m.** **COFFEE AVAILABLE**
- 9:00** **TAX CREDITS FOR COMMUNITY DEVELOPMENT**
- **Rehabilitation Tax Credits (HISTORIC)**
 - **Low-Income Housing Tax Credits (LIHTC)**
 - **New Markets Tax Credits (NMTC)**
- 10:30** **SPREAD SHEET BASICS - INTRODUCTION**
- 11:00** **FINANCE SPREAD SHEETS**
- CASE STUDY –When Harry Met Sally in Purgatory**
- 12:00 p.m.** **LUNCH**
- 1:00** **CASE STUDY – Interpreting Data**
- 1:20** **CASE STUDY - When Harry Met Sally – Assignment 2**
- 2:15** **CASE STUDY - Interpreting Data**
- 3:00** **DISCUSS ASSIGNMENT 3**
- 3:30** **PROJECTS EXAMPLE – OTHELLO SQUARE**
- 5:00** **ADJOURN**