REAL ESTATE INVESTMENT MODELING CERTIFICATE

Program Description

When critically thinking through a real estate investment opportunity, analyzing all options and associated risks for each potential path often becomes a daunting and complicated task. In lieu of trial and error, financial models offer a more efficient tool to stress-test deals ahead of high-stakes decision-making.

In this program, you will develop modeling tools from the ground up for commercial real estate to inform sound financial real estate investment decision-making. You will build in-depth models and frameworks currently in use throughout the real estate industry. This will call for rigorous cash flow construction and scenario analysis, including the impact of deterministic and stochastic inputs in ex-ante decision-making. This certificate includes revenue and income derivation, starting from individual tenants and including complex lease structures. Most types of income-producing real estate properties are covered, including hospitality properties. You will also discover how to model conventional, fixed, and floating debt instruments and model the capital stack to inform capital structure choices inclusive of equity cash flow waterfalls. In addition, you will be introduced to ARGUS for modeling multi-tenant properties and determine how to integrate an ARGUS output into the Excel-based models previously developed.

This program requires a basic understanding of real estate finance and the real estate markets. It is expected that you have a familiarity with the different valuation approaches in real estate, as this course focuses on the modeling of discounted cash flows in the context of both certain and uncertain future cash flows. If you are unfamiliar with these concepts, please consider enrolling in the Commercial Real Estate certificate as a prerequisite. Students with familiarity in Excel will be most successful in this program.

Key Takeaways

- Develop a strong foundation in financial modeling for commercial real estate investments
- Apply specific Excel functions used in real estate modeling to adapt to different audiences
- Create a model for expense recovery by lease type, taking vacancies into consideration
- Model a variety of scenarios to be able to quickly assess the impact of changing economic conditions
- Conduct a sensitivity analysis using what-if data tables and/or self-referencing IF statements
- Derive pre-promote levered equity cash flows for both existing properties and development projects
- Evaluate partnership terms in simple and complex equity waterfall structures
- Integrate the ARGUS outputs into Excel-based models to create a market analysis to determine the unlevered and levered valuation and performance for a given market analysis

What You'll Earn

- Real Estate Investment Modeling Certificate from Cornell SC Johnson College of Business

- 90 Professional Development Hours (9.0 CEUs)
- 90 credits towards the BOMI Continuing Professional Development Program (CPD)

Who Should Enroll

- Acquisition and asset managers
- Financial analysts
- Real estate investors
- Real estate development professionals
- Individuals looking to invest in commercial real estate
- MBA students
- City and regional planning professionals

Total Investment

4.5 months to complete the courses.

How to Enroll

For more information and to enroll, please visit Real Estate Investment Modeling Certificate.

The courses in this certificate program are required to be completed in the order that they appear.

Courses

Code	Title	Hours
ECORNELL SHA721		
ECORNELL SHA72		
ECORNELL SHA723		
ECORNELL SHA72		
ECORNELL SHA725		
ECORNELL SHA72		