AI2118 Portfolio Management and Real Estate Finance 7,5 hp

Portfolio Management and Real Estate Finance

Fastställande

Kursplan för AI2118 gäller från och med VT09

Betygsskala

A, B, C, D, E, FX, F

Utbildningsnivå

Avancerad nivå

Huvudområden

Särskild behörighet

For students not registrered on a KTH programme (180hp/300hp):

Bachelors degree in Finance or equivalent apart from completed upper secondary education incl documented proficiency in English.

Undervisningsspråk

Undervisningsspråk anges i kurstillfällesinformationen i kurs- och programkatalogen.

Lärandemål

Upon completion of the course, students will be able to

- identify the characteristics of property investments and discuss how they compare to those of the other main investment classes;
- explain sector and geographical diversification opportunities in a real estate portfolio, including issues related to international real estate diversification;
- analyze opportunities and pitfalls of including real estate in a multi-asset portfolio;
- critically discuss if and how the CAPM, APT and multi-factor models can be applied to real estate;
- analyze capital market data using quantitative techniques to identify theoretically optimal portfolio strategies;
- apply and interpret econometric models used for analyzing real estate markets;
- identify and explain different types of real estate indices and discuss the pros and cons of different indices;
- identify and explain alternative real estate investment vehicles, in particular the emerging real estate derivatives markets
- analyze international real estate investments, including analysing currency risks
- describe and analyze financing alternatives for real estate investors and developers;

Additional objectives:

Develop students' business report writing and oral presentation skills through the course projects; enhance students' capacity to read published material in a critical fashion.

Kursinnehåll

Characteristics of real estate risk and return; Models of portfolio selection and pricing; Structuring the real estate portfolio through sector and geographical mix; International real estate investments; Real Estate's price of risk in the capital market; Performance measurements; Market modelling and forecasting; financing alternatives for real estate investments.

Kurslitteratur

- Geltner & Miller (2001), Commercial Real Estate Analysis and Investments and
- Hoesli & Macgregor (2000), Property Investments – Principles and Practice of Portfolio Management.

Recommended literature:

- Brueggeman & Fisher (2005), Real Estate Finance and Investments
- Brown & Matysiak (2000), Real Estate Investments – A Capital Market Approach

Examination

- INL2 - Exercises, 1,5 hp, betygsskala: P, F
- TENA - Examination, 6,0 hp, betygsskala: A, B, C, D, E, FX, F

Examinator beslutar, baserat på rekommendation från KTH:s handläggare av stöd till studenter med funktionsnedsättning, om eventuell anpassad examination för studenter med dokumenterad, varaktig funktionsnedsättning.

Examinator får medge annan examinationsform vid omexamination av enstaka studenter.

När kurs inte längre ges har student möjlighet att examineras under ytterligare två läsår.

Written examination (4,5 cr) and active participation in exercises (term paper; 3 cr).

Etiskt förhållningssätt

- Vid grupparbete har alla i gruppen ansvar för gruppens arbete.
- Vid examination ska varje student ärligt redovisa hjälp som erhållits och källor som använts.
- Vid muntlig examination ska varje student kunna redogöra för hela uppgiften och hela lösningen.