AM202U Construction Economy, Calculation and Financing 7.5 credits

Byggandets ekonomi, kalkylering och finansiering

This is a translation of the Swedish, legally binding, course syllabus.

If the course is discontinued, students may request to be examined during the following two academic years

Establishment

Course syllabus for AM202U valid from Spring 2016

Grading scale

P, F

Education cycle

Second cycle

Main field of study

Built Environment

Specific prerequisites

Language of instruction

The language of instruction is specified in the course offering information in the course catalogue.

Intended learning outcomes

After completing the course, the participant will be able to::

• Describe land as a real option and relate a construction company's development of land to housing and property cycles ('market timing').

• In his/her own words describe and interpret how a construction company calculates and draws up building calculations, identify critical cost items, as well as value and manage costing..

• From various standpoints apply financial values to construction projects at various levels..

• Bedöma bygginvesteringars lönsamhet genom att ha praktisk färdighet i att utföra kassaflödeskalkyler samt beräkna och tolka relevanta nyckeltal.

• Calculate and explain the effects of different components of the yield on building investments. Relate the risk in several building investments through several phases to yield, primarily on equity.

• Compare the effects of various financial solutions for an optimal capital structure in the case of small and large property development projects for various types of building/construction companies and provide examples of describe the effects of new financial solutions, for example company bonds and OPS/PPP..

•Explain and interpret the accounting effects of a construction projects various stages in the construction company's financial reports .

Course contents

The overall aim of the course is to provide participants with knowledge of methods for the financial analysis of construction projects in various forms, stages and levels and from various perspectives. The 'financial' part of the course deals with various aspects of the financial profitability assessments of the building project. The 'calculation' part of the course deals with investment analysis, as well as the underlying factors of critical cost items in a company's building calculations, while the 'financing' part of the course deals with various financial solutions to do with building investments.

Course literature

This information will made available at the start of the course. Some of the course literature is in Swedish and some is in English.

Examination

• PRO1 - Peoject, 2.5 credits, grading scale: P, F

- TEN1 - Written exam, 5.0 credits, grading scale: P, F

Based on recommendation from KTH's coordinator for disabilities, the examiner will decide how to adapt an examination for students with documented disability.

The examiner may apply another examination format when re-examining individual students.

Ethical approach

- All members of a group are responsible for the group's work.
- In any assessment, every student shall honestly disclose any help received and sources used.
- In an oral assessment, every student shall be able to present and answer questions about the entire assignment and solution.