Real Estate and Development Appraisal

Module Descriptor

Module Code: PLN7RDA

Version: 1.00

Status: Final

Date: 15/04/2024

Real Estate and Development Appraisal

Summary Module Details

Module Title: Real Estate and Development Appraisal

Module Leader: Matthew Smith *(provisional)*

Module Mode: Supported online learning

Semester: Spring (UK)

Level: 7

Credits: 20

Learning Hours: 200

Contact & Study Hours

Directed Study Time: 60 hrs (30%)

Self-directed Study Time: 70 hrs (35%)

Assessment Study Time: 70 hrs (35%)

Assessment Type

Coursework: 0%

Computer Marked Assessment: 0%

Project: 100%

Portfolio: 0%

Module Summary

This module requires students to examine the motivations of primarily private-sector developers and the public-sector obligations of local planning authorities. It explores how, through early liaison, these can be balanced and a middle ground for development agreed. The module tracks the early stages of the development process from the client briefing, consideration of planning policy and guidance, information analysis and initial development design. This continues through to the financial appraisal and viability considerations and culminates in a pre-application agreement of an acceptable scheme that meets the requirements of both the developer and the public sector. Students will be asked to consider the risks involved in development process and the range of consequences emanating from success and failure as perceived from different perspectives.

Taken on which Programmes

MSc Urban Planning (C)

Core (C) or Elective (E)

Real Estate and Development Appraisal

Module Aims

This module aims to offer the students an opportunity to examine:

- Motivations of stakeholders in the development appraisal process;
- Planning and development processes and practices;
- Preliminary development investigations and development design layout; and
- Financial and risk appraisal methods.

Module Learning Outcomes

LO1. To demonstrate appreciation and critical knowledge of client incentives in development situations and the complex inter-relationship between different stakeholders and their attitudes to development schemes in both the public and private sectors.

LO2. To critically evaluate complex commercial real estate scenarios to support and develop evidence-based, purposeful conclusions for a range of professional stakeholders.

LO3. To identify and analyse existing and emerging planning and development policies and practices, synthesising information to communicate effective explanations and sustained arguments.

LO4. To organise subject-specific knowledge, theory, and practice to create informed and justified decisions concerning complex planning and development situations.

Indicative Module Content

Module topics

- **Motivations of stakeholders**

  Private sector developers and investors – optimum development and profit maximisation. Public sector primary remit to manage development and negotiate provision for aspects that might not otherwise be delivered such as infrastructure, affordable housing, accessible public space, beautification, nature-based solutions to climate change, ecological habitat and enhancement of human health and wellbeing.

- **Planning and development processes and practices**

  Planning policy and local plans. Planning permission and conditions. Negotiation, consultation, appeals. Design codes, conservation areas, listed building matters.

- **Preliminary development investigations and design layout**

  The client's brief. Site history, current constraints. On-site appraisal and investigations- utilities, contamination, watercourse, boundaries, access, covenants and easements etc. Value – including consideration of enhanced property value of sustainable features and enhanced professional reputation due to environmental and social governance. The impact of stigma on value. Development cost data – including remediation costs, implications of sustainability, nature-based solutions, and biodiversity net-gain. Sources and cost of funding options. Development site layout.

- **Financial and risk appraisal methods**

The residual method - traditional and cash flow. IPMS/RICS property measurement. Developer risk and risk analysis. Consideration of viability. Mitigating risk. Ethical judgement.

This content will be reviewed and updated regularly to reflect the legal, moral and financial changes in professional standards and practice.

Overview of Summative Assessment

Module learning outcomes	Assessment	Word count or equivalent	Weighting	Minimum assessment threshold
LO1, LO2	**Assessment 1** Project (e.g., options appraisal)	2,000	40%	50%
LO3, LO4	**Assessment 2** Project (e.g., scenario-based project)	3,000	60%	50%

Module Pass Mark (each element is to be passed separately): 50%

Key Module Learning Resources

Core Sources and Texts

The core reading resources within each module will be provided via the specific Virtual Learning Environment (VLE) module pages and within the e-Library. Additional reference material and supplementary resources to support your studies are available through the UCEM e-Library.

Module tools

Students will have access to study materials, dedicated academic support, student forums, and learning activities via an online learning platform (VLE).

The module page on the VLE is broken down into structured study weeks to help students plan their time, with each week containing a mixture of reading, case studies, videos/recordings and interactive activities to go through. Online webinars/seminars led by the Module Leader can be attended in real time and provide opportunities to consolidate knowledge, ask questions, discuss topics and work through learning activities together. These sessions are recorded to support students who cannot attend and to enable students to recap the session and work through it at their own pace. Module forums on the VLE provide further opportunities to discuss topics with other students, complete collaborative work and get extra help from the module team.

Professional online resources

The e-Library provides access to trusted, quality online resources, selected by subject specialists, to support students' study. This includes journals, industry publications,

magazines, academic books and a dissertation/work-based library. For a list of the key industry specific and education resources available please visit the VLE e-Library.

Other relevant resources

Access is also provided to further information sources that include the British Library and Open University UK catalogues, as well as providing a monthly current awareness service entitled, *Knowledge Foundations* - a compendium of news, research and resources relating to the educational sector and the Built Environment.

The module resource list is available on the module website and is updated regularly to ensure materials are relevant and current.