



Excel for Real Estate Analysis

What will I Learn?

This workshop is designed especially for real estate finance professionals who want to build complex financial models using Excel. Students will develop their own spreadsheets for different property types that will allow them to model any real estate investment scenario quickly and effectively.

Students will use advanced tools in Excel and apply them immediately to their own Excel models. Important skills that will be addressed in detail include building construction loan and development models, using statistical skills to better model real estate investments, developing reusable models, and auditing existing models.

Students taking this workshop are expected to have a basic knowledge of Excel and a firm grasp of basic real estate finance concepts such as time value of money, internal rate of return (IRR), and net present value (NPV).

Excel Functions and Tools

In addition to covering a wide range of real estate finance topics, the course specifically covers the following Excel tools and functions.

Additional tools and functions will be covered based on questions and as time permits.

Functions

PV, FV, RATE, NPER
PMT, IPMT, PPMT
IRR, NPV
XIRR, XNPV
EDATE, EOMONTH, DATEDIF
OFFSET
TRANSPOSE
ISERROR
VLOOKUP, HLOOKUP
INDEX, MATCH
SUM, SUMIF, SUMPRODUCT
ROUND
IF, AND, OR

Tools and Concepts

Absolute and Relative References

- Keyboard Shortcuts (such as Control - 9)
- Data Validation
- Conditional Formatting
- “What If Tools”
 - Goal Seek
 - Data Tables
 - Solver
 - Scenario Manager

Joshua Kahr's Biography

Joshua Kahr founded Kahr Real Estate (“KRE”) in 2002, a consulting firm for the commercial real estate industry that specializes in capital advisory, market and feasibility studies, and financial due diligence. They have worked on real estate investment and development projects across a wide range of product types including industrial, retail, office, hotel, residential, and mixed use. Clients include a broad range of industry participants including commercial and investment banks, private real estate investment firms, REITs, developers, and government organizations. KRE has also established itself as a preeminent training company for real estate financial analysis, with thousands of professionals taught annually through KRE’s training platform and through the Urban Land Institute.

He is on the faculty at Columbia University where he teaches real estate finance and coordinates the finance track in the MS in Real Estate program. He is also on the Board of Directors of Monmouth Real Estate Investment Corporation (NYSE: MNR), a publicly traded REIT. Publications include two books on real estate market analysis, Real Estate Market Valuation and Analysis (John Wiley and Sons: 2005) and Beyond the Bubble (Amacom Books: 2007). He has a Master of Science in Real Estate from New York University and a Bachelor of Arts in Economics from Reed College.

In addition to his consulting practice, he owns and manages multifamily and retail properties in New Jersey.

For more information about the class, contact Joshua Kahr at (212) 566-4085 or josh@kahrrealestate.com.

Schedule and Agenda

<p>9:00</p> <ul style="list-style-type: none"> • Introduction and Terminology • Core Excel Functions for Real Estate • Unleveraged Before Tax Cash Flow • Amortization Schedule • Leveraged Before Tax Cash Flow <p>12:30 Lunch</p> <p>1:30</p> <ul style="list-style-type: none"> • Depreciation Schedule • Leveraged After Tax Cash Flow • Partitioning the IRR and Advanced Analysis • Sensitivity Tables • Partnership Primer • Argus and Excel Integration <p>4:30 Review of Existing Models</p> <p>5:00 End of day</p>	<p>9:00</p> <ul style="list-style-type: none"> • Partnership I – “Country Club” – Preferred Return plus Split of Cash Flow • Partnership II – “Wall Street” – IRR Lookbacks • More on Partnership II – Advanced IRR Lookbacks • Partnership III – “Catch-up” • Partnership IV – “Clawback” <p>12:30 Lunch</p> <p>1:30</p> <ul style="list-style-type: none"> • Basic Construction Concepts • Construction and Unit Sales Schedules • Construction Lending and Developer’s Cash Flow • Construction I: Build and Hold – Construction and Permanent Financing • Advanced Scheduling • Construction II: Single Family Suburban and Condominium Development <p>4:30 Review of Existing Models</p> <p>5:00 End of day</p>
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There is a short break (15 minutes) each day in the morning and the afternoon.