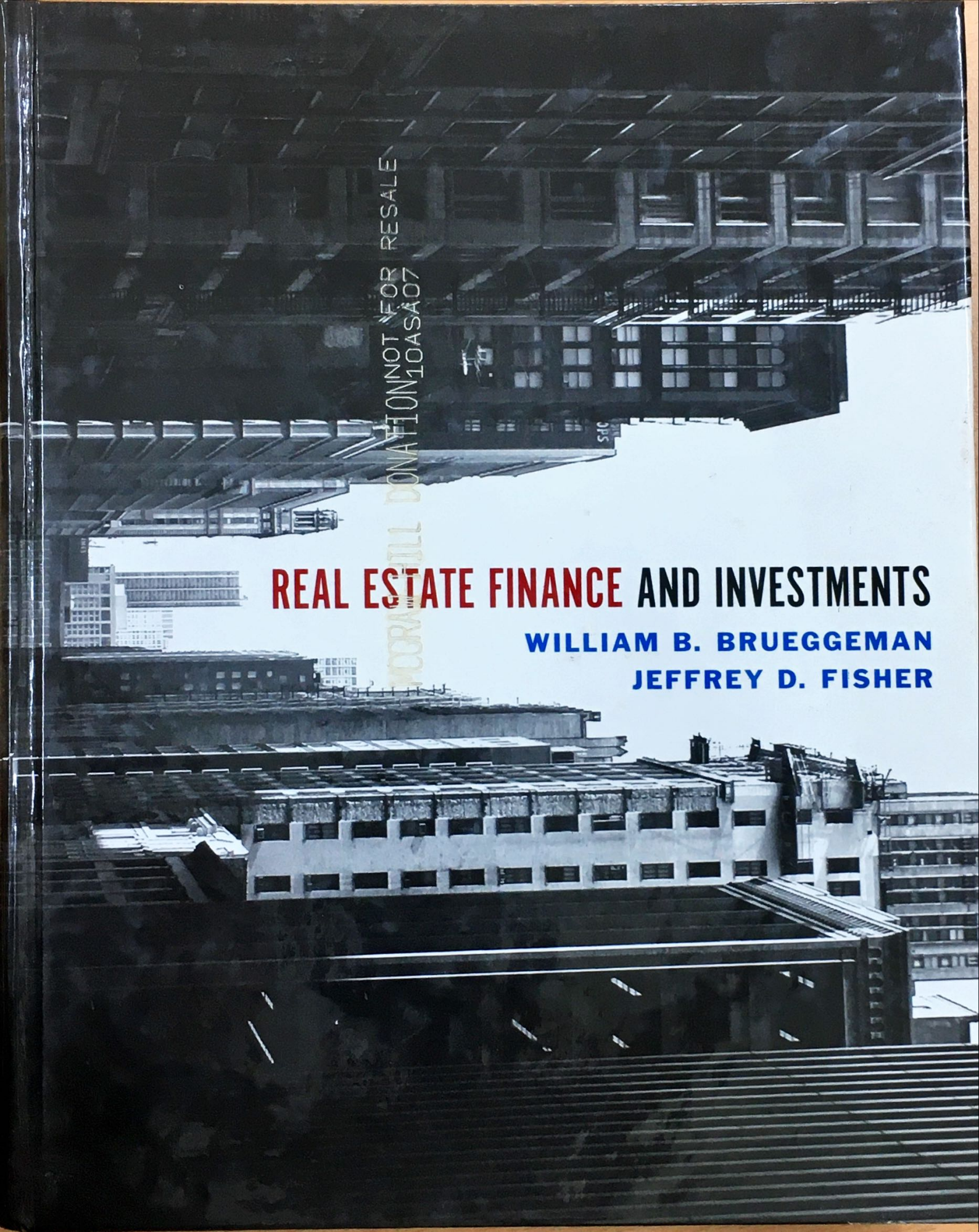


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Real Estate Finance and Investments

Twelfth Edition



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Preface

Interest in real estate has increased dramatically in recent years as the various ways of investing in and financing real estate continue to evolve. There are a myriad of alternative ways of making equity investments in real estate, ranging from purchasing properties like an apartment building, either as an individual or in a partnership, to investing in publicly traded companies called real estate investment trusts (REITs) that develop and own hundreds of apartment properties throughout the nation. Investments can also be made in mortgages used to finance real estate, ranging from making a mortgage loan (as a lender) or purchasing a publicly traded mortgage-backed security (residential or commercial). This book prepares readers to understand the risks and rewards associated with these various ways of investing and financing both residential and commercial real estate. These concepts and techniques are important for all careers related to real estate, such as investing, financing, appraising, consulting, managing real estate portfolios, leasing, managing property, analyzing site location, and managing corporate real estate. It is also applicable for those who just want to better understand real estate for their own personal investment and financing decisions.

Excel Spreadsheets and ARGUS Software—NEW Student CD

The book is rigorous yet practical and blends theory with application to real world problems illustrated through the use of a financial calculator, Excel spreadsheets, and software designed to analyze real estate income property. A CD that accompanies this edition of the book contains Excel spreadsheets that are provided to assist students in their understanding of many of the chapter examples and exhibits displayed throughout the text. Students can modify these spreadsheets to solve many of the end-of-chapter problems. In this way, students do not have to design spreadsheets to solve each problem set.

A trial version of the ARGUS software is also included on the CD. ARGUS is a Windows-based program that is widely used throughout the real estate investment industry to solve complex lease-by-lease investment and valuation problems. Examples containing leases are included in several problems in various chapters. Data files have been replicated so that these examples may be modified to accommodate homework problems at the end of chapters.

Internet Tools and Assets

Making informed real estate investment and financing decisions depends on being able to get useful information on national and local market trends, interest rates, available investment and financing alternatives, and opinions from experts about the outlook for various real estate sectors. The evolution of the Internet has provided a rich source of information to real estate investors and lenders, and knowing how to find information on the web is an important part of the “due diligence” that should be done before making a real estate investment, investing in a real estate-related company, or even just purchasing and financing a home.

New to this edition are **Web App** boxes that provide examples of finding relevant information on the Internet related to the chapter material. The Web App boxes provide practical examples of the types of data and other resources that are available on the Internet used by real estate lenders and investors. This also provides a way for readers to stay current on many of the topics discussed in the book.

Also new to the twelfth edition are **URLs** that students can use to research various topics in the real estate discipline. Look for these at the end of each chapter.

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