

University of North Carolina at Charlotte
MBAD 7090: Contemporary Real Estate Issues in China
Travel Dates: May 9-18, Summer Session One 2008

Course Instructor

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Course Description & Objectives:

Students participating in the course will travel to Hong Kong and Beijing to observe real estate development activity in two of the world's most dynamic cities. The opportunities and challenges involved in the regional real estate industry will be explored through the completion of a series of study tours, presentations, reading assignments and short essays. Emphasis will be placed on issues such as urban planning, sustainable growth, economic development and global market integration.

Code of Conduct:

Students are expected to attend all required study tours and lectures while in China. Excessive absenteeism, frequent tardiness, or disruptive behavior may result in substantial grade penalty at the discretion of the Professor. Policies and procedures related to academic dishonesty can be found in your copy of UNCC's Academic Integrity Code.

Grading & Exams:

Final grades will be based on the student's performance on five short essays and one final written report. A hard copy of the five short essays and final report should be bound together and clearly labeled for submission to Dustin Read's UNC Charlotte mailbox by 5:00 p.m. on July 2, 2008. The mailbox is located in the Finance Department on the 3rd floor of the Friday Building on UNC Charlotte's main campus. Grades will be determined according to the weights given below:

Short Essays (5)	75%
Final Report	<u>25%</u>
Total	100%

Weighted Total Points	Grade
90-100	A
80-89	B
70-79	C
Below 70	U

Material:

All assigned readings for the course can be found by accessing UNC Charlotte's online course reserve website. Directions are provided below.

- All articles are in PDF format. You will need at least Adobe Acrobat Reader to view them. A free version can be downloaded at <http://www.adobe.com/products/acrobat/>.
- Go to <http://www.library.uncc.edu/reserves/>.
- On the left-hand side, under *Students*, click Sign In to Course Reserves.
- On the Remote Access screen, enter your Novell user name and password.
- Select the green tab labeled, "Course Reserves Pages by Instructor".
- From the pull-down instructor list, select "Read" and click "search".
- Select the Course Number, MBAD 7090.
- Read the notice of copyright law. Choose "accept" to continue.
- Select the class session folder and title of the article you want to access.
- In the "Document Information" pop-up window, open the article listed under "File Name".

Section 1: Real Estate Market Overview

- Liang, Youguo and Arcilla, M. Shayne. "China- Many Opportunities, Unique Risks". Pramerica Financial Research Report. August 2006.
- Keng, Tan Yen, Hobbs, Peter and Chin, Henry. "The Maturing of the Chinese Real Estate Market." RREEF Research Report. March 2007.
- ***Short Essay #1:*** Based on the assigned readings and any other sources of relevant information, please draft a 3-5 page (double-spaced) short essay addressing the following issues:
 - What opportunities exist for investors in the Chinese real estate market?
 - What risks appear to exist for investors in the Chinese real estate market?
 - What characteristics of the Chinese economy appear to be driving demand for industrial, office, retail and residential space?
 - Who is investing in the Chinese real estate market and how much are they willing to pay for assets relative to more established markets?
 - What factors are anticipated to influence the Chinese real estate market in the future?

Section 2: Land Use Regulation and Urban Planning

- Zhu, Jieming (2004). From Land use Right to Land Development Right: Institutional Change in China's Urban Development. *Urban Studies*, v. 41, n. 7, pp 1249-1267.
- Abramson, Daniel B. (2006). Urban Planning in China. *Journal of the American Planning Association*, v. 72, n. 2, pp 197-215.
- ***Short Essay #2:*** Based on the assigned readings and any other sources of relevant information, please draft a 3-5 page (double-spaced) short essay addressing the following issues:
 - What institutional factors have influenced China's urban form?

- How has the movement from a controlled economy to a market-driven economy changed the built environment in China?
- Have some groups benefitted more than others from the emergence of a competitive real estate market? Who are the winners and who are the losers?
- What urban planning issues appear to have the potential to slow China's economic growth?

Section 3: Sustainable Development

- Chan, Roger and Shimou, Yao (1999). Urbanization and Sustainable Metropolitan Development in China: Patterns, Problems and Prospects. *GeoJournal*, v. 49, pp 269-277.
- Ng, Mee Kam (2002). Sustainable Urban Development Issues in Chinese Transitional Cities: Hong Kong and Shenzhen. *International Planning Studies*, v. 7, n. 1, pp 7-36.
- **Short Essay #3:** Based on the assigned readings and any other sources of relevant information, please draft a 3-5 page (double-spaced) short essay addressing the following issues:
 - What factors have encouraged the Chinese government to consider sustainable development practices?
 - What steps have been taken by the Chinese government to encourage sustainable development?
 - What economic, political and social issues may stand in the way of sustainable development in China?
 - Is China approaching sustainable development in the same manner as the United States? What differences exist?

Section 4: Economic Development & the Beijing Olympics

- Owen, Jeffrey (2005). Estimating the Cost and Benefit of Hosting Olympic Games: What Can Beijing Expect from Its 2008 Games? *The Industrial Geographer*, v. 3, n. 1, pp 1-18.
- Zhang, Yaxiong and Zhao, Kun (2007). Impact of Beijing Olympics-related Investments on Regional Economic Growth of China: Interregional Input-Output Approach. *Asian Economic Journal*, v. 21, n. 3, pp 261-282.
- Broudehoux, Anne-Marie (2007). Spectacular Beijing: The Conspicuous Construction of an Olympic Metropolis. *Journal of Urban Studies*, v. 29, n. 4, pp 383-400.
- **Short Essay #4:** Based on the assigned readings and any other sources of relevant information, please draft a 3-5 page (double-spaced) short essay addressing the following issues:
 - What types of public infrastructure improvements are being completed in anticipation of the 2008 Beijing Olympics?
 - What economic development benefits are anticipated to result from those improvements?
 - Do those benefits appear to be materializing as the 2008 Olympics draws near?

- What strategies are being implemented to ensure economic development benefits continue after the Olympics?
- Have some groups benefited from Olympics-related development more than others? Who are the winners and who are the losers?
- Have any criticisms arisen regarding China's economic development strategy for the 2008 Olympics?

Section 5: Global Market Integration

- Bian, Ke and Alon, Iian (2005). Real Estate Franchising: The Case of Coldwell Banker Expansion into China. *Business Horizons*, v. 48, pp 223-231.
- Lo, T. Wing-Chun, Lau, Ho-Fuk and Lin, Gong-Shi (2001). Problems and Prospects of Supermarket Development in China. *International Journal of Retail & Distribution Management*, v. 29, n. 2, pp 66-75.
- Iliffe, Trent et al. China Logistics. Jones Lang LaSalle Research Report (March 2007).
- **Short Essay #5:** Based on the assigned readings and any other sources of relevant information, please draft a 3-5 page (double-spaced) short essay addressing the following issues:
 - What factors are driving manufacturing growth in China and what steps are real estate investors taking to capitalize on the demand for industrial space?
 - Are appropriate infrastructure improvements being made to support China's growing manufacturing sector?
 - How are infrastructure improvements anticipated to influence manufacturing and distribution in Hong Kong and Beijing?
 - How is demand for retail goods within China affecting distribution networks?
 - What challenges do international retail firms face when attempting to enter the Chinese market? How do those challenges relate to retail real estate development?
 - What challenges are faced by international service firms attempting to enter the Chinese market? How do those challenges relate to real estate development?

Final Written Report: All students are required to submit a 10-12 page (double-spaced) paper outlining their observations about the real estate market while in Hong Kong and Beijing. Pictures **must** be included in an appendix to illustrate points of interest. The paper should be clearly written and address all of the following issues:

- Identify and describe at least three characteristics of the built environment in Hong Kong and Beijing that you find distinctively different from Charlotte, North Carolina.
- Discuss how those features influence human behaviour and encourage outcomes you perceive to be socially desirable or undesirable.
- Identify at least two unique characteristics of office, retail, and multifamily properties in Hong Kong or Beijing that could potentially be incorporated into successful development projects in Charlotte, North Carolina.
- Identify at least two characteristics of office, retail and multifamily properties in the United States that could potentially be incorporated into successful development projects in Hong Kong or Beijing.