York University Quality Assurance Procedures (YUQAP)
New Program Appraisal

External Appraisal Report on the Proposed New
Master of Real Estate and Infrastructure

Schulich School of Business

Please provide feedback, as appropriate, on the evaluation criteria provided below.

External Reviewer(s) (Name, rank, university and unit/department/program)

Crocker H. Liu, Professor, Cornell, School of Hotel Administration, Finance, Accounting and Real Estate Subarea

Jay Handelman, Associate Dean Research and Associate Professor, Queen’s University, School of Business, Marketing

1. Outline of the Visit
   - Who was interviewed
   - What facilities were seen
   - Any other activities relevant to the appraisal

Over a two day period, May 19 and 20, 2015, the Review Team conducted an onsite review of Schulich School of Business. This on-site review was conducted in conjunction with Schulich’s Cyclical Review. The review team was given full access to the both the York campus facilities of Schulich as well as the Miles Nadel Management Centre in downtown Toronto. The review team had interviews with all of Schulich’s key stakeholders including the Management Committee, Directors of programs and areas of specialization, Research and Teaching support members, MBA and Master of Accounting students, some alumni and Board members, a few key University Administrators including the Vice Provost and the Associate Dean, Graduate Studies, as well as Professors McKellar and Kuzmicki who are directly involved in the design and implementation of the proposed Master of Real Estate and Infrastructure degree. The Review Team also had the opportunity to attend a part of an MBA and Master of Account class. Any request made by the review team during the visit for further documentation was immediately provided by Associate Dean Biehl and Dean Horvath. The Review Team is in agreement that they were given extensive access to Schulich School of Business.

2. General Objectives of the Program
   - Is/are the program name and degree designation(s) appropriate?

The reviewers feel that the program name and degree designation is appropriate given the increasing demand for this specialized degree.
For graduate programs that wish to have a Quality Council endorsed field(s), are the fields indicated in the proposal appropriate?

The fields indicated in the proposal are appropriate.

Are the general objectives of the program clear and are they consistent with University and Faculty missions and academic plans?

The general objectives of the program are clear and they appear to be consistent with the University and Faculty missions and academic plans.

3. Need and Demand

Is there sufficient explanation of need/demand for the program?

The existing concentration in real estate has been offered in the Schulich School of Business at York University for over 20 years which is a signal that there continues to be demand for real estate courses. The new program represents a logical progression from a concentration in real estate to a specialization in real estate where the goal is to offer students who wish to specialize in real estate more real estate courses in lieu of the required general MBA courses. The letters provided to us evidence of the support of Dean Horvath and industry support for this initiative. Industry participants appear to favor a more specialized focus. A related question is why offer a real estate specialization now when the real estate program has been around for over 20 years? There are a few responses to this question. In addition to the recent industry appetite for a more specialized real estate degree, real estate alumni from Schulich have finally become prominent in managerial roles and more recruiters have started to interview students from Schulich for front office jobs. Real estate alumni events are also larger than alumni events for other Schulich programs in general which is further evidence that a critical mass has been achieved.

4. Program Content and Curriculum

Does the curriculum reflect the current state of the discipline or area of study? If applicable, comment on the appropriateness of any unique curriculum or program innovations or creative components.

The proposed curriculum represents a Reimagining of Real Estate where Infrastructure takes on a more important role in the real estate process and the World is the stage rather than the national or local market. The new globally oriented curriculum reconstitutes traditional pedagogy such as Real Estate Principles, Real Estate Law, Real Estate Appraisal, Real Estate Development, etc into infusing these topics into each course rather than having each of the aforementioned courses as a standalone course. This forces the instructor to have some familiarity in the various aspects of real estate (a generalist rather than a specialist). The goal of each course is on value added decision-making
with respect to a broad theme such as sustainable cities. I know of no real estate curriculum at any university offering real estate either in Canada or the United States that offers the curriculum that York University is proposing. This type of curriculum will give students a different mindset/perspective of the nature of the real estate business. Typically, urban planning, infrastructure and real estate are taught as separate disciplines with little, if any, cross fertilization between these real estate related disciplines. The new curriculum challenges this traditional perspective by integrating these real estate related disciplines which provides a more holistic perspective on the nature of the real estate business so that students can appreciate the multi-disciplinary nature of real estate.

- For undergraduate programs, comment on the appropriateness of the anticipated class sizes. For graduate programs, is there adequate evidence that each graduate student in the program will take a minimum of two-thirds of the course requirements from among graduate level courses?

Given the structure of the proposed 3-semester curriculum, students are required to take 2-semesters of required real estate courses so by default, each graduate student in the program must take a minimum of two-thirds of the course requirements from among graduate real estate level courses. In their last semester, students can take real estate electives based on their real estate area of interest.

5. Program Structure, Learning Outcomes and Assessment

- Are the program requirements and learning outcomes clear, appropriate and in alignment with the relevant degree level expectations?

Given the information provided on the new program, at a macro level the program requirements are clear. However since the new required courses have no syllabus or an instructor of record what is unclear is the learning outcomes for these new courses. The titles of the new courses and course descriptions appear to be relevant given the dynamic nature of real estate decision-making but without any information on the course content, we are unable to make any further assessment.

- Comment on the appropriateness of the program curriculum and structure to support the program learning outcomes. For undergraduate programs, comment on the nature and suitability of students' final-year academic achievement in the program. For research-focused graduate programs, comment on the nature and suitability of the major research requirement(s).

The program curriculum appears to be appropriate based on discussions with the existing real estate faculty although as stated previously, we are unable to obtain more in-depth knowledge about the program curriculum since there is no information on the content of the new course offerings other than a brief course description of each course. What we did see however is very encouraging. The curriculum is designed to be forward looking by using a cross-disciplinary platform
of integrating various real estate related disciplines. The end product is a fusion of real estate, facilities management, urban planning, architecture, and infrastructure management.

• Are the methods and criteria for assessing student achievement appropriate and effective relative to the program learning outcomes?

The mixture of exams, group projects, individual projects and class participation to assess student achievement is appropriate and effective. What is an innovative learning component is the new course entitled Creative Workshop where students will have the opportunity to integrate theory, skills and knowledge through a collaborative process and within a project framework. Student teams will present their final work to a multi-disciplinary panel of experts.

• For graduate programs, comment on the appropriateness of the program length, including on how students' time-to-completion will be supported and managed to ensure that the program requirements can be reasonably completed within the proposed time period.

Most real estate programs are either one or two year in length. The MREI program is 1.5 years in length, so falls within the boundaries of most real estate programs. There are good checks in place to ensure that “no student is left behind”. There is a review of student progress at the end of each term. Students are also required to maintain a GPA of at least 4.2.0. As in other real estate programs, students who fail a required course must retake it. What appears to be a little inconsistent however is the requirement that “to maintain their standing in the program, all students must maintain a GPA of at least 4.2”. However, a 4.2 is not sufficient to graduate from the program. “To graduate, a student must achieve an overall GPA of at least 4.4 (B-)”.

• Comment on the appropriateness of the proposed mode(s) of delivery to meet the program learning outcomes.

According to the MREI proposal entitled “Proposal for a Master of Real Estate and Infrastructure (MREI) dated December 2014, “The majority of courses in the Program will be delivered through a mix of lectures, research projects, and case studies, with the exception of the creative workshop that employs a studio format. Extensive use is made of real world cases and/or real world research assignments such that students have multiple opportunities to apply theory and methods in realistic scenarios. Most courses will make frequent use of industry speakers”. We find that this proposed mode of delivery is the typical delivery mechanism at most real estate professional programs. However, care must be taken to ensure that industry speakers are used to enhance learning rather than as a substitute for lectures.

6. Admission Requirements

• Are the admission requirements appropriately aligned with the program learning
outcomes?

We feel that the admission requirements are similar in nature to other schools in Canada and the U.S. that offer graduate real estate degrees although the preferred full time work experience required of 2-5 years is higher than the 2 years that most competitors require.

- Is there sufficient explanation of any alternative requirements, if any, for admission into an undergraduate, graduate or second-entry program, such as minimum grade point average, additional languages or portfolios, along with how the program recognizes prior work or learning experience?

For students whose first language is not English, the program requires that they must submit evidence of English proficiency. There is sufficient explanation of this requirement. The program is silent on whether work experience can be substituted for class credit which would allow students to take another real estate course.

7. Resources
   For all programs

- Adequacy of the administrative unit's planned utilization of existing human, physical and financial resources, and any institutional commitment to supplement those resources, to support the program.

   Discussions with the administration suggest that they are ready, able and willing to support the program in terms of human resources by hiring more faculty in real estate and providing space in the new building to house activities related to the new MREI program. The Dean’s letter indicates that “administrative resources needed for the program (Admissions, Student Services, secretarial support, etc) are already in place and will also be adjusted if needed.” As we were not provided any information on financial resources, we are unable to comment on the financial viability of the program.

- Appropriateness of the collective faculty expertise to contribute substantively to the program.

   The faculty at Schulich appears to have the necessary expertise to contribute substantively. The finance and economics as well as the entrepreneurship departments in particular are well suited to contribute since mortgages are a type of fixed income/structured product, there are real estate securitization products such as REITs, and developers are a type of entrepreneur.

- Participation of a sufficient number and quality of faculty who are competent to teach and/or supervise in the program, including qualifications, research, innovation and scholarly record.
We met with Andre Kuzmicki and Jim McKellar. Both faculty members are capable of teaching and supervising based on our discussions regarding their practical experience. However, neither faculty has an academic research record. There needs to be at least one if not more academically qualified research active professors. To this end, the Dean is currently raising funding for new positions in Real Estate, and the Associate Dean Academic is in the process of searching for existing Schulich faculty who can contribute to this program. We were unable to meet with and thus comment on the other property part-time faculty to assess their capabilities.

- Evidence that there are adequate resources (e.g. library, laboratory) to sustain the quality of scholarship produced by undergraduate students as well as graduate students' scholarship and research activities.

There appears to be adequate resources to sustain learning quality produced by graduate students. Given the existing real estate concentration at Schulich, the basic real estate resources are already available. We expect with more specialized course offerings in real estate, the library will increase their collection of real estate related materials. While we did not explore and there was no formal discussion of computer resources, informal discussions suggest that there is currently no specialized real estate computer databases and software programs available such as ARGUS, CoStar, SNL, Means (https://www.rsmeansonline.com/), etc which will give students a comparative advantage, although the school does have Bloomberg which does have real estate information.

**Additional criteria for undergraduate programs only**

- Evidence of and planning for adequate numbers and quality of: (a) faculty and staff to achieve the goals of the program; or (b) of plans and the commitment to provide the necessary resources in step with the implementation of the program; (c) planned/anticipated class sizes; (d) provision of supervision of experiential learning opportunities (if required); and (e) the role of adjunct and contract faculty.

**Additional criteria for graduate programs only**

- Evidence that faculty has the recent research or professional/clinical expertise needed to sustain the program, promote innovation and foster an appropriate intellectual climate.

Although none of the current real estate faculty has recent research expertise, they do have a substantial amount of professional/clinical expertise. However, it is clear that the existing faculty per se isn't sufficient to cover the teaching load for all of the newly required real estate course offerings. Ideally, there needs to be at least one or more tenured or tenure-track faculty with recent research expertise and a PhD to lend research credibility to this program. The new professors should be able to complement the existing faculty and have some empathy to real world issues. An ideal candidate should have some actual real
estate work experience, if possible in addition to an active research agenda and publications in academic real estate journals such as *Real Estate Economics*, the *Journal of Real Estate Finance and Economics*, and the *Journal of Real Estate Research* or urban economic journals such as the *Journal of Urban Economics* and the *Regional Science and Urban Economics*. Given the nature of the program, a more seasoned professor(s) is preferable for seamless integration. For some of the new course offerings, consideration might be given to using York faculty not currently affiliated with the business school. For example, [http://www.yorku.ca/laps/sosc/urst/faculty.html](http://www.yorku.ca/laps/sosc/urst/faculty.html) is a listing of faculty at York affiliated with Urban Studies that could possibly teach the new proposed courses.

- Where appropriate to the program, evidence that financial assistance for students will be sufficient to ensure adequate quality and numbers of students.

The external review committee was not provided any information to address this issue.

- Evidence of how supervisory loads will be distributed, and the qualifications and appointment status of faculty who will provide instruction and supervision.

The external review committee was not provided any information to address this issue on supervisory loads. Faculty for the new MREI program has not yet been hired so it is impossible to determine the qualifications and appointment status of faculty.

8. Quality of Student Experience

- Is the evidence of a program structure and faculty research that will ensure the intellectual quality of the student experience?

Perhaps the best evidence of a quality learning experience is whether recruiters come to campus and where in the real estate organization former students are. Currently, a larger number of recruiters seek out real estate students who graduate from Schulich. We also met with a Schulich real estate alum who intimated that it is because of his education that he is now in a management position at a prominent real estate firm.

Note: Reviews are urged to avoid using references to individuals. Rather, they are asked to assess the ability of the faculty as a whole to deliver the program and to comment on the appropriateness of each of the areas/fields of the program that the university has chosen to emphasize, in view of the expertise and scholaily productivity of the faculty.

9. Other Issues
Challenges, Concerns, and Opportunities

Succession Plan for Existing Real Estate Faculty: Given the seniority of the existing real estate faculty, the administration should consider identifying and possibly hiring more junior faculty with some seasoning who can eventually step into the roles of teaching, research, and industry outreach.

Center for Real Estate Excellence: What the proposal document is silent on is the creation of a center for real estate excellence to compliment the MREI and the existing concentration in real estate. The center provides a venue for real estate industry professionals and faculty to exchange ideas and turn those ideas into research that benefits both groups as well as students. Most top real estate programs do have a real estate center.

Taking Advantage of Existing Faculty: Currently there is little or no interaction with urban economists and finance faculty. Since urban economics provides a large portion of real estate theory and there are already several urban economists at Schulich, more should be done to engage these faculty members.

Taking Advantage of Real Estate Resources: Currently, students who are interested in real estate modeling are encouraged to purchase their own copy of ARGUS, the gold standard in real estate software. Although the computer lab does not have a site license for ARGUS, the site license for ARGUS is free since they do fly in an ARGUS trainer from Houston each year to train students. In addition to this, CoStar, the largest commercial real estate data provider has a university program that allows free access to their database. These resources are free and we recommend that these resources be available for all students since not all students might be able to afford a copy of ARGUS and the university can get a free license for the computer lab. The Urban Land Institute (ULI), which is a real estate development industry organization also provides student memberships at a deeply discounted price.

Taking Inventory of What’s Available in Terms of Existing Real Estate Related Resources at York University outside of the Business School: Although our primary exposure was to resources at Schulich, we suggest that the faculty do an inventory of existing real estate related resources in other parts of the University. For example, a google search revealed that York University has access to Geospatial Data (GIS). GIS has many, wide-ranging applications. It can be used for cartography, resource management, urban planning, marketing, statistical analysis, environmental impact assessment, and for countless other areas. See for example,

http://researchguides.library.yorku.ca/content.php?pid=245987&sid=2176381

Work Experience as a Substitute for Class Credit (Opting Out of a Class): The program is silent on whether work experience can be substituted for class credit in a particular class which would allow students to take another real estate course.
Real Estate Related Courses taught at York University Outside Schulich: While there was no discussion of the extent to which a Schulich student can take courses offered at York University (courses outside of the business school), York University does offer other courses that appear similar in nature to those at the business school. No mention is made as to whether any of these courses can be substituted for or cross listed as a business school course. This faculty (see for example, [http://www.yorku.ca/laps/sosc/urst/faculty.html](http://www.yorku.ca/laps/sosc/urst/faculty.html)) might also be considered to teach some of the courses in the proposed MREI program. For example, the Department of Social Science Urban Studies ([http://www.yorku.ca/laps/sosc/urst/](http://www.yorku.ca/laps/sosc/urst/)) at York takes a similar perspective.

Changes in Required Courses and/or Elective Courses: Given the dynamic nature of real estate and the roll out of the new curriculum in 2016, it is clear that course offerings will need to be changed from time to time. No mention was made in the documentation provided to the external reviewers regarding how often the existing faculty will do an introspection regarding the appropriateness of the new curriculum.

Real Estate Advisory Board: Most real estate programs have a formal real estate advisory board to provide input on trends in the industry, relevant course offerings, job placement opportunities, research that industry is interested in, funding support and other real estate related activities. We understand that the real estate advisory board needs to be reconstituted and has been relatively inactive in recent years. With the new MREI initiative, we suggest that the faculty consider reestablishing the real estate advisory board.

Urban Lab: The idea of an Urban Lab that Professor McKellar used to study the growth of cities and the role of financing is a novel idea that might further differentiate the real estate program at Schulich from other real estate programs. Since no documentation on the urban lab was provided to the external reviewers, we are unable to provide further comment on it.

10. Summary and Recommendations (Note: The responsibility for arriving at a recommendation on the final classification of the program belongs to the Appraisal Committee. Individual reviewers are asked to refrain from making recommendations in this respect.)

We find that the proposed Master of Real Estate and Infrastructure (MREI) Program is a natural progression from the specialization in Real Estate Management which the Schulich School has offered a diploma in since 1992. The program has support not only from Dean Horvath but also from the industry. This suggests that the resources will be available to support the new program and graduates from this program should be able to do well in terms of job placement. The methods and criteria for assessing student achievement are appropriate. The length of the MREI program of 1.5 years is the average of most real estate program which range from 1-2 years. There are appropriate checks in place to make sure that “no student is left behind” with respect to students’ time to
The proposed mode(s) of delivery which consists of a mix of lectures, research projects, and case studies is appropriate. However, care must be taken to ensure that industry speakers are used to enhance learning rather than as a substitute for lectures. The admission requirements are similar in nature to other schools in the Canada and the U.S. that offer graduate real estate degrees.

A key concern is that much of the program’s current success and near term future success is the continued presence of the two full time faculty who have been able to multi-task effectively not only from a teaching perspective but also from a placement perspective due to their industry engagement and presence. Consideration needs to be given to hiring other full time younger faculty who will be able to sustain the current faculty’s achievements and who will also have a presence in terms of academic research to give the program academic (research) credibility. The school might consider reaching out to other faculty at York University both at Schulich and at other Schools within the university (where appropriate) who has the necessary expertise in real estate and infrastructure to help move the implementation of the program forward and help expand the teaching and research bandwidth. In terms of resources, we note that York University has real estate related resources outside of the business school such as access to Geospatial Data (GIS). To make sure that there is no duplication of resources, we suggest exploring what real estate related resources already exist outside the business school that would be available to Schulich students.