Universidad de Navarra

Real Estate Investments

Guía docente 2026-27

PRESENTACIÓN

Breve descripción:

- **Titulación**:Economics/Finance
- **Módulo/Materia**:
- **ECTS**: 3
- **Curso, semestre**: 4th/1st
- **Carácter**: Elective
- **Profesorado**: Dr Samuel Azasu CRE, Dr Enrique Cristóbal
- **Idioma**: English
- **Aula, Horario**: Friday, 8 - 10 am, room 109

RESULTADOS DE APRENDIZAJE (Competencias)

This course provides an in-depth understanding of the real estate investment process, specifically focusing on financial analysis, market research, risk management, and legal considerations in real estate investments. Through a comprehensive study of real estate markets and investment strategies, you will gain the skills necessary to evaluate, manage, and execute successful property investments. The course uses a Spanish/European context, addressing key factors impacting the local market.

By the end of this course, students will be able to:

- Analyze and evaluate real estate investment opportunities.
- Utilize advanced financial metrics and tools to assess property investments.
- Develop strategies for managing risk and complying with legal requirements.
- Apply these principles to real-world Spanish real estate investment projects.

PROGRAMA

Module 1: Introduction to Real Estate Investment

- Real estate vs. other asset classes
- Types of real estate (residential, commercial, industrial, retail)
- Direct investment vs. SOCIMIs (Spanish REITs)
- Capital gains vs. rental income

Module 2: Financial Metrics in Real Estate Investment

- Net Present Value (NPV), Internal Rate of Return (IRR)
- Capitalization Rate (Cap Rate)
- Return on Investment (ROI), Cash Flow Analysis
- Time-Weighted vs. Money-Weighted Returns

Module 3: Market Analysis and Investment Strategy

- Metro analysis and future real estate demand
- Macro analysis for housing and offices
- Site and neighborhood analysis - absorption, rents and prices
- Income vs. growth strategies

Module 4: Risk and Legal Considerations

- Market, liquidity, and tenant risk
- Spanish urban planning law (Ley del Suelo), zoning, and land use
- Legal frameworks: notaries, registries, Escritura Pública
- Understanding tenant and landlord rights (Ley de Arrendamientos Urbanos)

Module 5: Financing Real Estate Investments

- Debt vs. equity financing in Spain
- Mortgage market structure (Euribor-based)
- Loan-to-Value (LTV), Debt Service Coverage Ratio (DSCR)
- Taxation: ITP, VAT, property tax (IBI), plusvalía municipal

Module 6: Real Estate Development Process

- Stages: land acquisition, permitting, construction, sales/lease-up
- Feasibility analysis
- Role of ayuntamientos (municipalities), project licensing
- Sustainable development & BREEAM certification in Spain

Module 7: Property Valuation Methods

- Income approach: NOI and Cap Rate
- Sales comparison (comparable sales from Idealista/Fotocasa)
- Cost approach
- Adjustments for location, condition, and building age

Module 8: Lease Contracts and Rental Income Structures

- Types of leases (gross, net, hybrid) in Spanish practice
- Rent escalation, indexation (IPC adjustments)
- Legal aspects of lease contracts (minimum durations, notice periods)
- Short-term vs. long-term rentals (including impact of tourist rental regulation)

Module 9: Advanced Investment Strategies

- Diversification across property types and geographies
- SOCIMIs and other listed real estate vehicles
- Private equity and crowdfunding (e.g. Urbanitae, Housers)
- Joint ventures and co-investments

Module 10: Real Estate Taxation and Estate Planning

- Property taxes (IBI), capital gains tax, rental income taxation
- Tax structures for individual and corporate investors
- Inheritance law (forced heirship), succession of property
- Estate planning tools: usufruct, donations, trusts

Module 11: Property Management and Operations

- Residential, commercial, and industrial property operations
- Budgeting, maintenance, and service providers
- Insurance, building reserves, and community fees (gastos de comunidad)
- Managing tenant relations, default, and eviction procedures

Module 12: Capstone Project

- Full investment analysis for a Spanish property opportunity
- Excel-based financial modeling and feasibility analysis
- Risk/legal/tax review
- Group presentation and investment strategy pitch

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ACTIVIDADES FORMATIVAS

Teaching and learning will consist of in-person classes and group assignments. At the end of the course, there will be a Capstone project of a Spanish property opportunity.

EVALUACIÓN

Student performance will be assessed through a combination of individual and group work designed to ensure continuous engagement and alignment with the course learning outcomes.

- **Problem Sets and Exercises (20%)**
- **Attendance (10%)**
- **Students will complete regular problem sets covering Modules 1–9. Solutions will be provided, and students will engage in self- and peer-assessment. Credit will be awarded for submission and evidence of engagement. These exercises ensure continuous practice with financial tools, market analysis, and legal/risk frameworks.**
- **Capstone Milestones (20%)**
  - Two interim deliverables will be required before the final Capstone:
    - **Milestone 1 (after Module 5):** Preliminary financial and market analysis of a property opportunity.
    - **Milestone 2 (after Module 9):** Draft valuation and risk/legal /tax assessment.
  - Students will provide and receive structured peer feedback on these submissions. These checkpoints ensure progressive development toward the Capstone project.
- **Capstone Final Project (50%):** In groups, students will complete a full investment analysis of a Spanish property opportunity. The project will include financial modeling, feasibility analysis, legal/risk/tax considerations, and a strategic investment recommendation. Assessment will be based on both the written report and a group presentation/pitch.

CONVOCATORIA ORDINARIA

Students whose final grade is 5 points or more will pass the course. Students whose final grade is below 5 points will not pass the course and will be graded as Suspenso. Students who have not participated in all components of the course (ie homework, midterm and capstone) will not pass the course and will be graded as No presentado. Students will be able to review the exams in an interview with the professor, after publication of the grades, on a day and place that will be mutually agreed.

CONVOCATORIA EXTRAORDINARIA

Students who fail will be allowed to sit a written exam covering all modules of the ccourse.

HORARIOS DE ATENCIÓN

Dr Samuel Azasu (sazasu@unav.es)

- Office hours - by appointment

BIBLIOGRAFÍA Y RECURSOS

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- **Core Text:** Geltner, Miller et al. – *Commercial Real Estate Analysis and Investments*
- **Supplementary Texts:** Brueggeman & Fisher – *Real Estate Finance & Investments*
- **Market Sources:** Idealista, CBRE Spain, Savills, Knight Frank Iberia
- **Legal Frameworks:** Ley de Arrendamientos Urbanos, Ley del Suelo, Spanish Tax Agency guides