REAL ESTATE FINANCE FOR DEVELOPMENT AND INVESTMENT



GENTEX®
TRAINING CENTER

GENTEX Training Center LLC | Orlando - FL, USA
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Introduction

Real Estate Finance for Development and Investment Training Course equips participants to fund property schemes from land purchase through to stabilised income. It covers both sides of the business: developing an asset and investing in one. Participants learn site appraisal, development budgeting, construction finance, drawdown control, investment modelling, debt structuring and exit strategy. The programme addresses residual land valuation, developer profit, covenant testing, refinancing and portfolio decisions. Furthermore, it examines the risk differences between development and income-producing assets. As a result, delegates can fund a scheme and model an investment on one coherent basis. Gentex Training Center delivers the programme through live Excel workshops and applied deal case work.

Real Estate Finance for Development and Investment Course Objectives

- Appraise development sites using residual land valuation methods.
- Build development budgets with construction, professional and finance costs.
- Model development cash flow, drawdown and contingency requirements.
- Calculate developer profit on cost and profit on gross development value.
- Structure construction and development finance facilities.
- Model investment cash flows for income-producing assets.
- Apply discounted cash flow, NPV, IRR and XIRR to property decisions.
- Apply loan-to-value, debt service coverage ratio and debt yield tests.
- Compare development and investment returns on a like-for-like basis.
- Test schemes with sensitivity, scenario and break-even analysis.

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Course Methodology

The course combines technical briefings with extensive hands-on Excel workshops and deal case studies. Participants appraise a development site, structure a construction facility and model an investment acquisition. In addition, structured peer review sharpens commercial judgement, and each day closes with an applied deal task.

Who Should Take This Course

- Property developers and development finance professionals.
- Real estate lenders, credit analysts and loan officers.
- Real estate investment and asset management staff.
- Quantity surveyors, valuers and development analysts.
- Corporate finance and treasury professionals with property exposure.
- Accountants, auditors and advisers on development and investment deals.

Real Estate Finance for Development and Investment Course Outlines

Day 1: Site Appraisal and Development Economics

- Development process stages and decision gateways.
- Site identification, planning risk and due diligence.
- Residual land valuation and appraisal structure.
- Construction cost, professional fees and contingency.
- Developer profit on cost and on gross development value.
- Planning obligations, affordable housing and infrastructure contributions.

- Workshop: appraising a development site and calculating residual land value.

Day 2: Development Budgets and Cash Flow Modelling

- Development budget build-up by cost category.
- Construction programme and phased expenditure profiles.
- Drawdown scheduling and interest during construction.
- Sales, pre-letting and phased disposal assumptions.
- Development cash flow modelling in Microsoft Excel.
- Contingency, risk allowances and sensitivity testing.
- Workshop: building a development cash flow and budget model.

Day 3: Construction and Development Finance

- Construction finance facility structures and terms.
- Loan-to-cost, loan-to-value and development gearing.
- Drawdown conditions, monitoring surveyors and cost certification.
- Interest, fees, exit fees and facility covenants.
- Mezzanine, bridging and preferred equity in development.
- Refinancing into investment debt on completion.
- Workshop: structuring a construction facility and testing covenants.

Day 4: Investment Modelling and Acquisition Analysis

- Income-producing asset cash flow modelling.
- Net operating income, capitalisation rates and exit value.
- Discounted cash flow valuation with NPV, IRR and XIRR.
- Debt sizing for investment assets using debt service coverage ratio.

- Cash-on-cash return and equity multiple analysis.
- Comparing development and investment returns.
- Workshop: modelling an investment acquisition and sizing investment debt.

Day 5: Risk, Portfolio Strategy and Deal Presentation

- Sensitivity tables, scenario switches and tornado charts.
- Monte Carlo simulation for rent, cost and exit value uncertainty.
- Portfolio allocation across development and income assets.
- Refinancing, disposal and hold-versus-sell analysis.
- Investment committee papers and lending submissions.
- Presenting a development and investment case under challenge.
- Workshop: presenting a combined development and investment recommendation.

Conclusion

By successfully completing Real Estate Finance for Development and Investment Training Course, participants will have acquired the knowledge to fund a development scheme and model an investment acquisition with confidence. They will understand residual land valuation, development budgeting, construction finance, investment cash flow modelling, debt sizing and exit strategy, and they will know how to test returns against risk. As a result, delegates support property decisions that hold up to lenders and investors. Gentex Training Center builds the programme around current market practice.

FAQs for the Real Estate Finance for Development and Investment course

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Q1 What is the "Real Estate Finance for Development and Investment" course about?

It covers funding property through both development and investment. You learn site appraisal and residual land valuation, development budgeting and cash flow modelling, construction finance structuring, investment cash flow modelling, debt sizing and exit strategy.

Q2 What are the key benefits of the "Real Estate Finance for Development and Investment" course?

You gain one consistent framework for development and investment rather than two separate skillsets. You also improve site appraisal accuracy, control construction budgets and drawdown, structure finance with better covenant headroom, and compare development and investment returns fairly.

Q3 What skills will I gain from the "Real Estate Finance for Development and Investment" course?

You will gain development site appraisal and residual land valuation, development budgeting and cash flow modelling in Microsoft Excel, construction and development finance structuring, and investment cash flow modelling, debt sizing and exit strategy analysis.

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Q4 What tools, methods, or standards are covered in the "Real Estate Finance for Development and Investment" course?

The course covers residual land valuation and developer profit on cost, construction cost planning and contingency setting, phased expenditure and drawdown scheduling with interest during construction, loan-to-cost, loan-to-value and development gearing calculations, monitoring surveyor and cost certification processes, mezzanine and preferred equity structures, net operating income and capitalisation rate analysis, discounted cash flow with NPV, IRR and XIRR, debt service coverage ratio and debt yield debt sizing, cash-on-cash return and equity multiple analysis, one-way and two-way data tables, tornado charts and Monte Carlo simulation, and hold-versus-sell analysis.

Q5 How is the "Real Estate Finance for Development and Investment" course applied in real-world practice?

Graduates apply it to appraise development sites and agree land bids, build and monitor development budgets, structure construction facilities and manage drawdown conditions, model investment acquisitions, size debt for income-producing assets, test schemes under sensitivity and stress, plan refinancing on completion, and prepare investment papers and lending submissions.