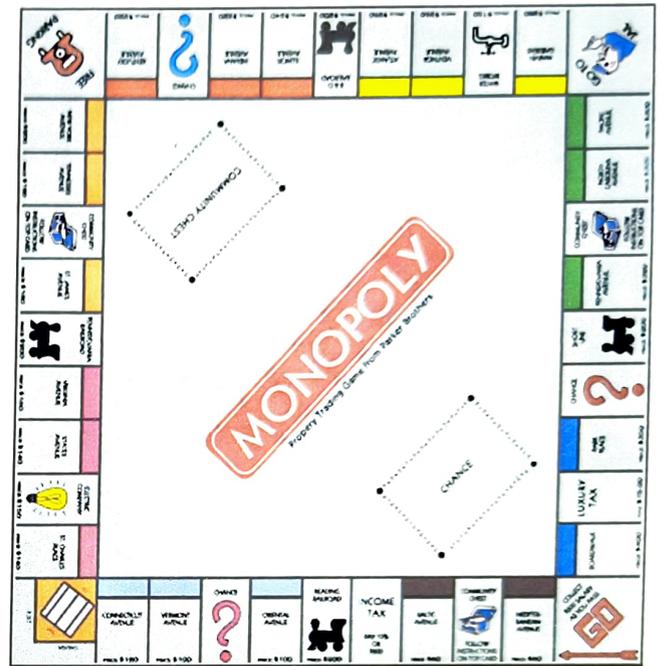


Case – 1 – Simulation Learning

Title: Learn about the dynamics of Real Estate Industry through Monopoly – The Board Game (Simulation Learning)

The famous board game “Monopoly” reminds of the childhood days when technology had not taken over the attention of children. With the mere potential of generating fun in playing the game of maximizing investment returns and conquering assets of counterparts, the game took an altogether different form when it was used by the faculty for academic purposes in the MBA program of Real Estate and Urban Infrastructure at RICS School of Built Environment, Amity University, Mumbai. The game was played by first year MBA students who were excited in applying their knowledge about real estate businesses in a competitive environment.



Although the game started on a fortune-factor note during initial acquisition of real estate and infrastructure assets, the players could feel the heat of the quick transactions, cash outlays in form of rentals, building substantial portfolio, asset mergers and acquisitions with surmounting valuations based on futuristic cashflows and yield rates to position themselves as strong players in the market.

Analytical and negotiation skills of the players were challenged through this game besides application of their knowledge about financial management, property valuations and business pitches. While the game had elements of external challenges such as **policy changes, taxes & penalties and internal challenges such as cash crunch, inability to build assets and missed earning opportunities**, the players also emerged with innovative ideas such as business mergers, unsecured private lending, property mortgage and application of budding trends such as TODs (Transit Oriented Developments) and creation of REITs. Multiple groups shared their experience and approach during the game which resulted in creating millionaires to bankrupt individuals. The game brought in a unique learning experience for all and can be used as an effective tool to learn nearly all facets of the real estate industry.



Teaching Case – 2 – Basic Building blocks in Economics

Title: Understanding basic building blocks of markets in Economics of Built Environment Course

At RICS SBE, the first semester includes a fundamental course titled Economics Environment for MBA students. In order to help students understand key principles markets, we encourage them to visualise and present built environment products – eg (or other product classes such as co-living spaces, coworking spaces etc) – to the class represents an audience (the market – assumed to be real estate professionals). This them estimate the demand and supply potential of the same. This eventually culmin trading in the market where each student, a market participant, who is either a buyer seller interacts with each other and attempts to buy a house and have a roof over her OR clear off her inventory and make the maximum gains from trading.

This approach involves groups conceptualising products, estimating demand and supply then conducting individual transactions relating to the products. They thus simulate real business scenarios. All students present in the classroom as audience are assumed to be estate professionals / builders / property developers.

Assignment Structure

The overall activity is divided into three main parts:

1. conceptualising the product to estimate demand,
2. estimate supply and
3. trading in the product.

Team members collect records of responses from the market and dynamically provide a market picture – this leads to estimation of the demand curve, the supply curve and the discovery. The entire activity is conducted over a minimum of 3 week's time to allow students to relate practical actions with theoretical inputs offered alongside in the classroom.

Part 1: Conceptualising the product – group activity – outside classroom

Students start by looking at contemporary advertisements of buildings and visualise a product which could have sales potential in the market. This proposal includes finalising details about the building, location, layout of home plans, amenities provided, parking facilities, other services offered and USP.

Part 2: Surveying the market demand and supply – group activity by builder group – inside the classroom {the market}

Next, students conduct surveys in the market to understand the estimated demand and supply potential of the product – the surveys are done in the nature of an open cry or open bid system in the classroom. Presenting groups provide clarifications on the products in order to refine and improve estimation of market interest in the product. This leads to generation of the demand curve and the supply curve and it eventually leads to finding equilibrium price in the market. This helps in providing or improving practical understanding of the theoretical concepts of demand, supply and equilibrium discussed in the classroom sessions.

Part 3: Price discovery – individual activity in classroom {the market}

The entire class is divided into two groups – one is group of sellers, and the other is group of buyers. Each is a market participant. Each participant is assigned one unique numerical value, eg 95. If the participant is a buyer, she treats it as money available to buy (say Rs 95 lakh) while if she is a seller, she treats it as the selling price of the product (say Rs 95 lakh).

Now, buyers and sellers scatter in the room (the market) and interact with each other and try to conclude the transaction.

The objective is that at the end of the trading activity, every buyer should have a roof over her head and every seller should be able to make profit in the transaction. All trades are recorded in the back office for compilation and analysis.

Many trades go through as good sales, however, as real markets would have, participants sometimes adopt improper practices and end up misrepresenting their position in order to achieve the objectives, resulting in sub-optimal outcomes eg buyers spending too much money on an otherwise cheap product OR sellers charging too less money to clear their inventory. Unintended outcomes also may emerge eg joint venture deals – an idea discussed in another course and applied by the students in this activity.

Execution and Presentation

Finally, students – who also track the proceedings as market analysts – draw lessons from the activity, discuss them in the class and blend with learnings from other similar courses – so that use of terminology, ideas and concepts across courses can be embedded in the overall learning process. Such information is also shared on Linked In to a wider audience showcasing learnings by the students.

This innovative teaching approach enhances students' understanding of economic principles and helps them take practical decisions.



GIST OF THE ACTIVITY



"BUYERS"



"SELLERS"



GIST OF THE ACTIVITY



**Meet our
"MARKET
ANALYSTS"**



OVERALL PERSPECTIVE BY A STUDENT



SUCCESSFULL JOINT VENTURE DEALS

