

Hotel Development and Real Estate Investments

Hotel Asset Management
Feasibility Analysis, Development and Negotiations
Valuation of Hotel Investments

ONLINE COURSES



Designed for working professionals who wish to gain knowledge about a specific subject related to the hospitality industry.

Why study at EHL:

- A learning facilitator moderates discussions on each course
- A member of faculty reviews and corrects the final assessment
- A 100% online course is accessible whenever and wherever
- Course content based on EHL's MBA guarantees premium education

EHL Digital Education platform

The EHL Digital Education platform allows you to study online, at your own pace, without putting your career on hold. You will benefit from a stimulating environment of peers and international experts and participate in collaborative activities while enjoying a high level of support from your learning facilitator.

Certificate of Achievement

At the end of each course, you will receive a certificate of achievement, providing you successfully pass the final assessment.

An Advanced Certificate in Hotel Development and Real Estate Investments will be delivered when you successfully complete all three hotel development courses.

*Delivered by the world's leading hospitality management school,
Ecole hôtelière de Lausanne.*

Hotel Development and Real Estate Investments

Obtain the fundamental knowledge, skills, and practice to be able to make successful business decisions related to hotel development and investments with these three courses:

- » Hotel Asset Management
- » Feasibility Analysis, Development and Negotiations
- » Valuation of Hotel Investments



Real estate is an overwhelmingly prominent component of a hotel's value. Beyond owners, even the operational side of hotel industry are now increasingly sensitive to decisions which enhance real estate value. Mastering the concepts of valuing, financing and investing in real estate assets is a fundamental necessity to claim leadership position in the industry.



Dr. Prashant Das
EHL Associate Professor
Real Estate Finance



Ecole hôtelière de Lausanne (EHL) is ranked number 1 in the 2019 QS World University ranking and in CEOWORLD Magazine for Hospitality & Leisure Management Universities

HOTEL ASSET MANAGEMENT

5 weeks / 8 hours a week / online course

Hotel asset management requires a holistic overview and understanding of the complete hotel business. It is one of the few disciplines which requires both strategic thinking and analytical application. You will learn to develop a strong strategic perspective on what is needed to enhance value for the owner.

Week 1 • What is hotel asset management and why is it necessary?



Week 2 • Data ownership control & liability
• Analysis, tools and building strategies



Week 3 • Budget (owner's perspectives)
• Asset management plan



Week 4 • Various stages of asset management



Week 5 • Final assessment



66
videos



28
case studies & readings



6
interactive exercises

Course Details

Week 1

Understanding hotel asset management

explores various topics such as:

- What is hotel asset management?
- History of asset management
- Definition of hotel asset management
- The principles of hotel asset management

Why hotel asset management is necessary

looks at the hotel asset manager's mission:

- Operator & owner interests' dilemmas
- Asset Manager's interaction with key stakeholders
- Ground rules: the hotel management contract
- Reality outside HMA: communication & transparency

Week 3

Budget - owner's perspectives is of paramount importance in hotel asset management. The course will go through the budget approval process and discusses key elements of the budget package as well as some of the common challenges encountered during the process.

Asset management plan (AMP) is a key deliverable that an asset manager prepares for the owners. What is the objective of the AMP? Is this a standard document or adapted to each owner? How often is the AMP updated?

Week 2

Taking on a hotel asset management

assignment explores the data and information required and covers:

- Basic information received
- Starting an asset management assignment
- Monthly package
- Ownership of information

Analysis, tools and department strategies

explores various topics such as:

- General market benchmarking
- P&L overall review
- Room, F&B, Spa focus
- Analysis of other departments
- Undistributed operating expenses
- Below GOP responsibilities

Week 4

The various stages of asset management

explores the on-going asset management, asset manager's role and take over.

Investing in existing physical assets

discusses the factors that may influence the capital expenditure (capex) requirements for a hotel property.

Hotel development focuses on hotel real estate cycles and how these favor geographical investment diversification.

Hotel investment ventures covers the buy, hold or sell analysis, as well as capital structuring.

Valuation of Hotel Investments

5 weeks / 8 hours a week / online course

This course provides a greater understanding of the published 'values' of hotels and why they occur. You will learn industry best practice valuation methodologies and how to apply them to develop accurate valuations.

- Week 1**
- Hotels and real estate
 - Markets and their efficiency



- Week 2**
- Financial analysis
 - Capital types & capital structure
 - Loans



- Week 3**
- Valuation analysis
 - Direct capitalization-conclusion



- Week 4**
- Investment valuation
 - Investment analysis



- Week 5**
- Final assessment



40+
videos



10+
executive interviews



5+
interactive exercises



5+
case studies & readings

Course Details

Week 1

Orientation is an introduction to real estate markets and looks at real estate perspectives, understanding of value and the first steps of financial analysis. Topics covered:

- Hotels and real estate
- Markets and their efficiency
- Valuation fundamentals
- Opportunity costs
- Time Value of Money (TVM)
- Discount rate
- Return on investment

Week 2

Financial analysis applies financial mathematics using hands on exercises such as:

- Present Value (PV) and Future Value (FV)
- Net Present Value (NPV)
- Internal Rate of Return (IRR)
- Annuities & perpetuities
- Annuities and loans calculations
- Developing an amortization schedule
- Perpetuities calculations
- Hotel loans and mortgage basics
- Loan Underwriting: LTV & DSCR

Week 3

Valuation analysis walks through the process of estimating the market value of a hotel.

Topics covered:

- Direct Capitalization
- Determination of Cap Rate
- Capex Adjustment for Cap Rate
- Direct Capitalization method
- DCF Approach
- Financial assumptions
- Pro-forma development
- Sales Comparison Approach
- Cost Approach
- Recap-Valuation methods
- Company structures: REITs
- SNL database

Week 4

Investment valuation looks at other information needed by investor and introduces the notion of leveraged cash flow, and its importance in hotel investment analysis. Topics covered:

- Value reconciliation
- Depreciation
- Debt schedule
- Leveraged IRR
- After-tax cash flow IRR
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Feasibility Analysis, Development and Negotiations

5 weeks / 8 hours a week / online course

This course offers the opportunity to learn about the mechanics of the hotel development process, from evaluating hotel sites to negotiating commercial contract terms. You will learn how to undertake a market feasibility using industry best practices, in order to provide the best possible solution for a hotel project.

- Week 1**
- Strategic hotel investments
 - Feasibility analysis



- Week 2**
- Project overview
 - Site analysis
 - Financial feasibility



- Week 3**
- Stakeholders
 - Debt



- Week 4**
- Hotel operators
 - Operational structures
 - HMA negotiations



- Week 5**
- Final assessment



85
videos



5
executive interviews



25
interactive exercises

Course Details

Week 1

Strategic aspects of hotel investments casts light on the main factors to consider before investing in a hotel:

- Important factors
- What does feasibility mean?
- Who will operate and how?

Week 2

Feasibility analysis discusses the macroeconomic factors and key elements such as:

- Project overview
- Facilities & site analysis
- Supply & demand analysis
- Occupancy & rate
- Using STR reports

Financial Feasibility analysis explores the steps to project revenue and expenses in order to prepare a hotel proforma.

Week 3

Stakeholders goes over the different stakeholders that you should consider:

- Equity investors
- Lenders
- Developers
- Hotel operators
- Franchise

Debt has a number of characteristics that are crucial in the hotel investment outcome:

- Overview of debt
- Effects of debt
- Lender's underwriting analysis
- Hotel debt terms
- Main points for lenders

Week 4

Hotel Operators and Owners looks at opportunities to grow and reviews the pros and cons from such growth. Topics covered:

- Hotel operators
- History of ownership
- Operating structures
- Hotel management contract terms

Investment process covers the steps of investment committees as they have the last say in the investment process.

Meet your Professors



Alexander Sogno

Senior Lecture of Asset Management

Hotel Asset Management

Alex is the founder of Global Asset Solutions, which provides hotel asset management and hotel investment banking.



Jan Hazelton

Senior Lecture of Real Estate Development

Feasibility Analysis, Development and Negotiations

Jan is currently global business and real estate development vice president at Kerzner International, a real estate development company.



Prashant Das, PhD

Assistant Professor of Real Estate Finance

Valuation of Hotel Investments

Prashant has published papers in journals such as the Journal of Real Estate Finance and Economics, Journal of Real Estate Research among others.

Fees & Enrollment

Individual fee

One course: CHF 2,200

Three courses: CHF 5,940

AEHL member fee

EHL Alumni who are AEHL members can benefit from a membership fee. For more details, please contact us by email at certificates@ehl.ch

Start dates

Each course is offered twice a year. Start dates are available on our website.

Enrollment

There is no admissions requirement to enroll to our online courses.

To enroll, choose a course and an intake on our website. You will then be required to fill in your personal details and select a method of payment (credit card, bank transfer or PayPal). Enrollment will be confirmed upon receipt of payment.

Final assessment

At the end of each 5-week course, you will be required to take a final assessment. Depending on the course, the assessment may range from multiple choice quizzes (MCQ) to more open response evaluations, like a case study.

To successfully obtain the certificate, you must get a minimum of 60% of the total points available. You can either PASS or FAIL a certificate, no numerical grades will be officially reflected in the certificate.

Feedback will be provided in relation to your performance in the final assessment in order to enable you to think critically about your work and to reflect on possible improvements. The feedback is provided via EHL Digital Platform directly.

Retakes are not available at the end of a course if you fail the final assessment.

If you wish to retake the final assessment, you need to re-enroll for the next available session.

Advanced Certificate in Hotel Development

Upon successfully obtaining all three real estate investments certificates, you will gain an additional Advanced Certificate in Hotel Development and Real Estate Investments.

certificates.ehl.edu/development



“EHL is consistently recognized as the best hotel management school in the world with the highest graduate employment rate in the industry”

Accreditations & memberships:



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