



UC San Diego



2022 RESOURCE GUIDE BOOK

KICK OFF EVENT
February 3, 2022
9 am

Via Zoom:

<https://us02web.zoom.us/j/3456704641>



UC San Diego



*NAIOP San Diego
2022 University Challenge Event
April 27/28, 2022*

THE EVENT

- Student teams from SDSU's Corky McMillin Center for Real Estate, UCSD Department of Urban Studies and Planning and the University of San Diego - Burnham Moores Center for Real Estate compete in a business case study real estate competition on the highest and best use for a real, proposed site | case study in San Diego County.
- Potential issues to be addressed may include financing, transit-oriented issues, sustainable development, traffic patterns, community impact, feasibility and investment returns. The judging panel | investment committee consists of various senior level commercial real estate professionals.
- The teams must defend their project privately in front of the judging committee at a pre-competition session the day before the big event. Student teams present to an audience of real estate professionals, industry leaders and fellow students.



EXECUTIVE SUMMARY

U-Challenge 2022

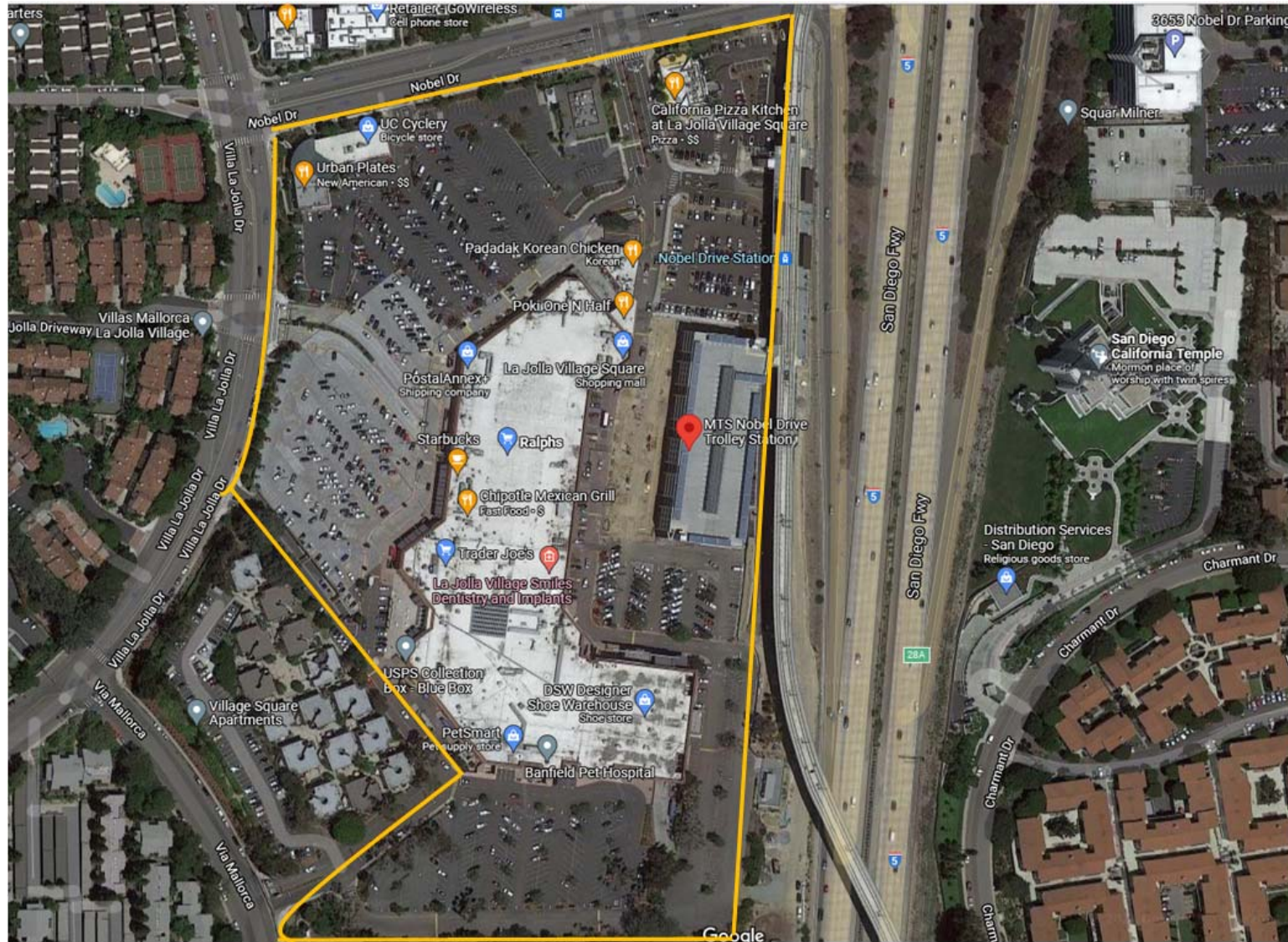


<u>Challenge</u>	Highest and best use market driven, mixed use site
<u>Project Address</u>	La Jolla Village Square 8657 Via La Jolla Drive, La Jolla, CA 92037 ljvillagesquare.com
<u>Property Owners</u>	n/a to this exercise – owner is <u>not</u> to be contacted
<u>Site Size</u>	24 acres
<u>Land Cost</u>	Teams to determine residual value in the form of purchase price
<u>Development Regulations</u>	Assume site to be rezoned to EMX-1 - Follow the guidelines for what EMX-1 allows. Use the coastal commission height restrictions
<u>Community Plan</u>	University General Plan
<u>Existing Buildings</u>	Only MTS trolley/parking/289 parking stalls. Assumes land parcel is to be vacant, flat, graded and free of easements, except existing parking structure
<u>Environmental</u>	Assume site is clean
<u>Other Assumptions:</u>	<ol style="list-style-type: none">1) An Amazon DC or any related Amazon use is prohibited2) An all-residential project will not be considered3) Comport with the CURRENT coastal commission height zone4) Assume trolley/parking structure stays5) Provide public right of way/reasonable access to MTS parking structure6) Ignore any fault line impacts7) Be thoughtful and market driven, a comprehensive and marketable plan, with a minimum number of uses8) This is Not a design competition



THE CASE STUDY

La Jolla Village Square
8657 Via La Jolla Drive





CAD will be given
Title report included

ZONING

344-280-08-00
344-280-20-00
344-280-19-00
344-280-13-00 (condo development)

PRESENTATION OVERVIEW



1

Event Information

This is a 2-day event. The first day you will have a Pre-Competition Q&A session with the judging panel. Consider this a pitch to an investment committee. The second day will be a presentation to the NAIOP Membership, fellow students and the real estate community.

2

Written Requirements

Each team will meet privately with the Judges. The team is given up to 60 minutes for introductions and oral review of the executive summary followed by questions from the judging panel. Each team may modify their oral presentation based on the judges' comments after the judging session, but no changes to the written presentation will be allowed.

3

Presentation Requirements

Teams are responsible for bringing their own computer for their oral presentation. NAIOP will provide adequate projector & screen (if event is live/in person). All team members should be introduced, at the beginning of each presentation. Each presentation must be limited to 30 minutes. Each team will receive a 2-minute warning. Each team member must have a speaking contribution.



DATES TO REMEMBER

3

February 2022

Kick Off

9:00 am

Via Zoom

15

February 2022

10 questions due

Emailed to NAIOP

Karen@naiopsd.org

15

April 2022

Written Reports Due

Emailed to NAIOP

Karen@naiopsd.org

27

April 2022

Meet with Judges

3:00 pm

Location Zoom

28

April 2022

Event Date

3:00 pm

Location tbd

Pre-COMPETITION

Q&A Session with Judges



Wednesday, April 27, 2022
Via Zoom

2:50 pm	Judges Arrive
3:00 pm	Team 1 Arrive
4:00 pm	Team 2 Arrive
5:00 pm	Team 3 Arrive
6:00 pm	Judges Private Meeting

1. This is an invite only question and answer session where the student teams will be asked questions by the panel of judges.
2. Each team's student advisor(s) may join this session.
3. A team may modify their oral presentation based on the judges' comments after the pre-competition judging session, but no changes to the written presentation will be allowed.



The COMPETITION

Presentation Day with NAIOP Members, Industry Professionals, Fellow Students

Thursday, April 28, 2022
Location tbd

2:50 pm	Teams and Judges log in
3:30 pm	Opening Comments Introductions Welcome
3:45 pm	Team ___ Presents (Intro of Team and Presentation)
4:15 pm	Team ___ Presents (Intro of Team and Presentation)
4:45 pm	Team ___ Presents (Intro of Team and Presentation)
5:15 pm	Judges Sequester
5:45 pm	Judges Comments, Announce Winner
6:00 pm	Conclusion

1. **If in a Zoom platform**....This event will be recorded and will be distributed. Your participation on this zoom meeting indicates your acknowledgement.
2. Presenting Team and judges will be the ONLY unmuted participants.
3. To maximize team exposure, Presenting Team and Judges will have video "on". If you do not comply, you will be muted and video shut off by host controls.
4. Team should assign 1 team member to advance slide, share screen on your slide deck.
5. Presenting Team and Judges are the ONLY participants able to speak. There is no question and answer session during this event. If you do not comply you will be removed from the meeting altogether.
6. After the presentations have completed, team members will be placed into breakout rooms as will the judges for sequester. Once the judges have completed their scoring, all will be invited back into the main meeting room to reveal the winning team.



Rules, Scope & Industry Consultants



Work Product:

All work (aside from massing/site plan from architect) is to be completed by the students. Consultants are given to each team. Teams may not outsource, pay or otherwise engage another colleague or professional to assist in the project in any way. You may have up to 8 people on the team.

Owner Interaction

Each team will be allowed to email a maximum of 10 questions relative to the site thru NAIOP. The emailed questions will come in the form of 1 email, emailed to karen@naiopsd.org by or before **2-15-22 | before 5 pm**. Teams are prohibited from contacting the property owner for purposes of this competition.

Finance (Mark McGovern) mark.mcgovern@cbre.com

Advise on the available debt options and equity options. A summary excel spreadsheet will be provided to teams. Teams shall provide their excel analysis via email to karen@naiopsd.org.

Architects (NAIOP assigned to each team)

Advise on general compliance with zoning, overall design of the project and on building structure, materials, etc. Architects will only be allowed to provide: (1) site plan and (2) programmatic massing model. No fly throughs or other visuals allowed.

Construction (Regina) to be name@sundt

Advise on general construction design/materials and provide one (1) construction estimate based on final design project. Will give a plug in # for offsite infrastructure.

Appraiser (Dave Davis) dave@dfdavisrealestate.com

Provide one set of market comparables based on Team's recommendations and provide pro-forma of operating expenses based on Team's recommendations.

Legal (Mike Leake) mleake@sheppardmullin.com

Advise on general compliance with entitlements and on any title issue.

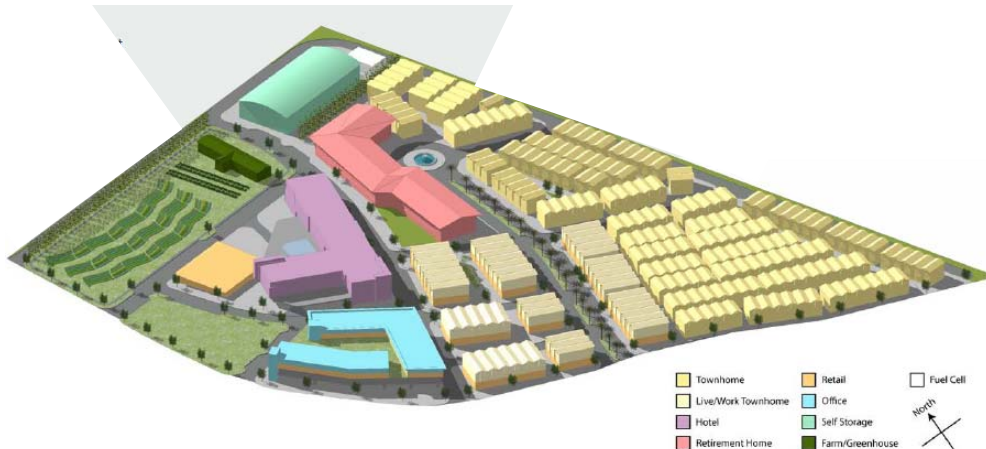


Architectural Consultants Team Rules

Deliverables:

1. Architects will be assigned to the teams randomly by NAIOP.
2. Teams will work with the architects to supply only 2 items:
 - Final Illustrative site plan
 - Programmatic Sketch up massing model with limited articulation
3. Architects assigned to teams will not be asked to do renderings.
4. No fly throughs or other visuals will be allowed.
5. Photo vignettes, conceptual imagery can be used to show examples of whatever design elements student teams are proposing.
6. The inspirational photos or vignettes are to be provided by the students rather than making the architect do more design work.

Example:





Scoring Rules



Financial Analysis

Did they illustrate an understanding of the financing options available? Is the financing presented (if any) feasible? Does it conform to standard industry practices?

Market Analysis

Did they illustrate an understanding of relevant market trends – development and demographic? Was their research thorough? Did they provide a realistic timeline? Was underwriting supportable/reasonable?

Development Strategy

Given the financing options, market conditions, and other factors, does the development strategy make sense? Is the solution a creative response to these issues? Does the project benefit the community and are we providing the owner's goals? Did they maximize value through density?

Response to Codes, Regulations, Environmental, Community|Sustainability Concerns

Did they illustrate an understanding of the applicable codes and regulations? Is the solution feasible?

Support for Assumptions and Conclusions

Was their research adequate? Did they cite all sources? Was their conclusion logical?

Adequacy of Written Report

Was the report's presentation organized? Professional? State of the art? Error free?

- 20 pages written report, up to 5 pages in addition will be allowed for drawing/renderings, Up to 5 pages in addition will be allowed for financial analysis/backup/explanation

General Judging Criteria

Presentations will be judged based on the overall project feasibility, highest and best use, and residual land value. All teams are required to provide the excel file of their financial analysis along with the Economic Summary for judges' consideration. Emphasis is on how team set up their financial criteria and underlying assumptions, along with the vision and reality of executing the vision.

Verbal Criteria

All team members must have equal participation during the Q&A session and presentation.

Point deduction could occur if this criteria not met.



Scoring Sheet

Scoring Notes:

1. **Deduction** will be made for exceeding 20 pages
2. **Deduction** will be made for changes to report after submitting or late delivery
3. Up to 5 additional pages allowed for site plan, massing model and vinettes. Needs to be consistent with statements on page 10.
4. **Deduction** will be made for lack of participation by all team members.

SCORING FOR WRITTEN PRESENTATION		Rank 1(lowest) to 3 (highest)		
		SDSU	USD	UCSD
	Financial Analysis			
	Market Analysis			
	Development Strategy			
	Response to Codes, Regulations, Environmental Concerns			
	Support for Assumptions and Conclusions			
	Adequacy of Written Report			
	Public Benefit			
	Less Deductions if any*			
	Subtotal Score			
	SUBTOTAL RANK			
		Rank 1 (lowest) to 3 (highest)		
SCORING FOR RESPONSES TO Q & A Session with Judges				
SCORING FOR ORAL PRESENTATION				
		SDSU	USD	UCSD
	Effective Presentation Skills			
	Market Analysis			
	Effective use of media/graphics			
	Effectively utilized presentation time			
	Persuaded to conclusion			
	SUBTOTAL SCORE			
	SUBTOTAL RANK			
	Rank 1 (lowest) to 3 (highest)			
GRAND TOTAL (3 LOWEST TO 9 HIGHEST)				



Standardized Overall Project Metrics-		<i>Notes</i>
Entitlement duration:	_____ months	<i>Please provide the total months to entitle and perform environmental studies, including public response periods</i>
Construction duration:	_____ months	<i>Please provide the total months for the entire construction duration for all phases</i>
Stabilization period:	_____ months	<i>Please provide the estimated total months after construction when the project is fully stabilized</i>
Total Construction Costs:	_____ dollars	<i>Total cost of construction for all phases and product types</i>
Total NOI at stabilization:	_____ dollars	<i>Total annual NOI for all product types = Total revenue LESS operating expenses (do not deduct debt service or reserves)</i>
Total Value at stabilization:	_____ dollars	<i>Provide the total value for the property using= NOI/Exit Cap Rate</i>
10-Year IRR (if applicable):	_____ %	<i>Total project return over 10 years factoring in project costs, NOI, and exit value</i>
10-Year Leveraged IRR (if applicable):	_____ %	<i>Total project return over 10 years factoring in project costs, NOI, and exit value, and financed amount</i>
Yield on Costs at stabilization:	_____ %	<i>Total NOI/Project Costs</i>
Profit Margin:	_____ %	<i>Total Profit from Sale (Stabilized Value less Total Project Costs)/ Total Stabilized Value</i>
Return on Costs:	_____ %	<i>Total Profit from Sale (Stabilized Value less Total Project Costs)/ Total Project Costs</i>
Residual Land Value (land basis/purchase price):	_____ dollars	<i>Land Basis determination</i>

Assumptions	
Financing Assumptions	
Rate for construction loan	_____ %
Rate for perm loan	_____ %
Capitalization Rates	
Exit Cap Rate for Multi-Family	_____ %
Exit Cap Rate for Retail	_____ %
Exit Cap Rate for Industrial	_____ %
Exit Cap Rate for Commercial Office	_____ %
Exit Cap Rate for _____	_____ %

Economic Summary



Due Feb 15 or before

10
questions
posed by
student
teams



Student Teams



UC San Diego



Team UCSD - 2022

jbk002@ucsd.edu	Justin Kim	Student
dcharris@ucsd.edu	Drew Harris	Student
shh227@ucsd.edu	Shunyi Hu	Student
bmkim@ucsd.edu	Bailey Kim	Student
sbartolino@ucsd.edu	Shea Bartolino	Student
dnobel@ucsd.edu	Dylan Nobel	Student
bwhite@ucsd.edu	Branden White	Student
afasano@ucsd.edu	Andrew Fasano	Student
speerson@ucsd.edu	Sue Peerson	advisor
mbussell@ucsd.edu	Mirle Bussell	advisor
paulgherini@gmail.com	Paul Gherini	advisor

Team USD - 2022

nbost@sandiego.edu	Nick Bost	student
caleighschmitt@sandiego.edu	Caleigh Schmitt	student
kolmos@sandiego.edu	Karla Olmos	student
mhofele@sandiego.edu	Madelyn Hofele	student
amontelli@sandiego.edu	Abigail Montelli	student
nashjohnson@sandiego.edu	Nash Johnson	student
bmeichtry@sandiego.edu	Bryce Meichtry	student
afierros@sandiego.edu	Aaron Fierros	student
jacobdschwartz@gmail.com	Jake	advisor
sjkarras@sandiego.edu	Stath Karras	advisor

Team SDSU - 2022

epierzak@sdsu.edu	Ed Pierzak	advisor
ngorelov8647@sdsu.edu	Nadya Gorleov	student
cnash6871@sdsu.edu	Christopher Nash	student
phamvyvian@gmail.com	Vyvian Pham	student
kacol5606@sdsu.edu	Kai Acol	student
n.ables.ms@gmail.com	Nick Ables	student
cjames5046@sdsu.edu	Corey James	student



**THANK
YOU!**

Phone:
858-509-4110

Email:
karen@naiopsd.org

Website:
www.naiopsd.org

Tba...2022 Judging Panel

