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**Avison Young**  
**2013 Internship**

This summer, I interned with the Mt. Pleasant Branch of Avison Young in South Carolina. Avison Young is the largest independently owned commercial real estate services firm in Canada with a presence in 23 American cities. The branch that I interned with was operated by WRS Realty, a commercial development company with ongoing projects in Georgia, North Carolina, and South Carolina.

On a day to day basis, I completed projects for the office's 12 brokers that required me to do market research, to build presentations for office-wide meetings, and to think critically in order to develop marketing strategies for their real estate listings. In addition to completing projects on behalf of the brokers, I attended property showings, property closings, lease signings, Small business luncheons, and Charleston-Trident Association of Realtors meetings.

Of the projects I completed, the valuation of a large Multi-Family apartment complex best represents what my internship required of me. In July, I was asked by a broker to assist him in preparing a "Broker Opinion of Value", a 5-10 page report detailing a valuation of the property in question, by completing a separate valuation. The report leverages comparable sales, financial statements of the property, and formulas to deduce a sale price.

While the first two elements are the most straightforward of the valuation process, the third requires a general knowledge of the property's market and formulas used in valuation. It is worth noting that prior to this project, I had little to no practical experience in valuing multi-family properties.

After receiving financial statements from the property in question, I began to teach myself how to value the property. My first step was adapting an APOD, a standard chart showing the before-tax cash flow, to fit the financials. Next, I assembled a list of comparable properties that had sold in the last ten years. These "comps" provide property data such as the number of units, general information on the properties, and any selling conditions. This data is useful in providing quick insight into the market and can give brokers fairly reasonable opinions on the value of a property on a per-unit basis. For instance, the most comparable sale had sold for \$71,000 per unit at a final sales price of \$17million. This indicated, to me, a unit value of between \$75,000 and \$80,000.

Following my APOD and comparable analysis, my next step was to use the NOI or net operating income to complete my valuation. One of the ways an APOD gives a party a quick grasp of the value of a property is by displaying the NOI. For the property being valued, my APOD showed an annual income of about a million and a half dollars. While a NOI can quickly show an investor the current cash flow, the real value of the number

is being able to anticipate future cash flows. Market research firms regularly publish data mined directly for realtors. Through their research, these firms are able to calculate and publish an average rent growth rate, 3% for the Columbia Suburban MF Market, which in turn can be applied to the NOI. By multiplying the NOI by 3% over an amount of years, a cash flow can be produced which shows in detail the expected income of a property. Using the Time Value of Money, a concept that is centered on the value of each dollar in an investment, I was then able to reduce the data presented in the cash flow to one number, the value of the property.

This project best represents what I did and what I was expected to do on a daily basis because it required me to do one important thing to complete the project: figure it out. At the start of my internship, none of the brokers who I worked with knew what to do with me. The only thing they knew about myself was that I was in college and that they had been directed to “use me”. With no experience in the field of commercial real estate, I was expected to complete projects and the day-to-day duties of a broker, albeit the day-to-day “chores”. The lack of hesitation by the brokers in putting me to work required me to adapt quickly to the office personalities, figure out how to complete my projects, and get them done well, quickly. Through hard work, I taught myself the skills necessary to complete each project as they were assigned.