Impact investing refers to investments made in commercial real estate projects with the intention to generate a measurable, beneficial social or environmental impact alongside an appropriate financial return. The diagram below\(^1\) indicates the broad range of ideas that are suitable for submission to the competition. We expect that this year’s judges will be especially intrigued with ideas that combine social impact with resilience to climate change or the ramifications of the Covid-19 pandemic.

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**Goals of the Competition:**

1) Bring attention to worthy projects in or near communities that host important academic real estate programs

2) Allow students at the academic institutions that participate to interact with members of their Advisory Boards and local commercial real estate firms to learn about market conditions and under-utilized properties in their areas.

3) Provide teams with feedback on their preliminary work by professionals who are experts in assessing the risks and rewards of opportunistic investment in commercial real estate.

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\(^1\) The pillars diagram was prepared by Kasia Pozniak of Westport Capital while she was at PGIM. She holds the rights to reproduce it.
Prize Money: A total of $25,000 is expected to be divided as $12,500 for the first-place team, $7,500 for the second-place team, $5,000 for the third-place team.²

Timeline:

December 12, 2021: Initial Submissions Due from Participating Schools by midnight. Submissions must be e-mailed as PDF attachments to cre-impact@mbs.miami.edu.


March 27th, 2022: Final, Revised Submissions Due from Finalist Schools by midnight.

Mid-April 2022: Top Three or Four Teams Present to Judges and Industry Participants in Miami or on Zoom. Winners Announced at Post Presentation Reception. Support for domestic travel to Miami is available for members of finalist teams if needed. Travel support for international teams selected as finalists will be provided if possible or international finalists will compete by Zoom.

Case Brief: Each team of students must identify a vacant or significantly under-utilized commercial property. Properties that are currently for sale or those that have been for sale in the past year will be particularly useful as targets for the case because offering memorandums will be available for these sites.³ Alternatively, students may identify an appropriate property and determine if ownership would be willing to assist in providing building specific information to assist in the preparation of the case study. Once a site has been chosen each team must propose a use or uses for the site that includes at least one component that is socially impactful or environmentally impactful.⁴

Existing or in-process projects that serve as examples for future developments may be included as part of a group’s submission as long as they are accompanied by a proposal for an additional site.

The most important component of the competition is the development of a strategy or strategies for creating value at the proposed site. Outstanding projects will: address zoning issues, estimate the cost to undertake the proposed strategies, project operating income and exit value and determine the recommended price to pay for the property to reflect the appropriate risk adjusted return.

Rules for Teams and Submissions:

- Teams will be composed of four or five students in graduate real estate programs or concentrating in real estate at MBA or MSF programs. Students who graduate in December 2021 may participate as members of a team. Each team may include up to two undergraduate students.
- Interdisciplinary teams are encouraged.
- Universities may submit work from more than one team.
- Projects may be socially impactful, environmentally impactful, or both.
- It is presumed that the proposed projects will be located in communities close to the university’s campus but this is not required.
- It is expected that proposed projects will have a cost of at least $2,500,000.

² All prizes will be awarded at the discretion of the competition’s judges. Judges may adjust prize awards for different teams as they see fit. In Spring 2021 the judges decision was to award the total prize money of $25,000 equally between the three finalist teams.

³ Upon request, members of the Miami Herbert Business School’s Real Estate Advisory Council will reach out to the industry’s prominent firms to help students participating in the competition get access to data needed to complete the analysis.

⁴ Teams are encouraged to involve one or more non-profit organizations in the impact components of their strategic plans. At the very least, specific non-profit entities that could benefit from the proposed project should be identified in the submitted proposals.
Submissions are limited to five pages of textual description and five pages of exhibits, including financial analysis. In addition, submissions must have a summary cover page and a table of contents page, for a maximum of 12 total pages per submission. This page limit does not include Appendices incorporating site photos and maps.

**A Typical Table of Contents and submission will include:**

1) Brief overview of the project including social need met and/or environmental impact.
2) Description of local for-profit and/or non-profit development and/or operating partners.
3) Market analysis for the proposed project.
4) Analysis of risks to project’s success, both pre- and post-construction.
5) Construction and operating budget.
6) Additional assumptions underlying financial analysis and exit strategy.
7) 5-Year Pro Forma.
8) Decision as to the appropriate unlevered IRR based on the risks to the success of the project.
9) SWOT analysis of the proposed project.
10) Summary.
11) Location Map, Photographs and Other Supporting documentation in one or more Appendices.

Summaries of the projects selected as finalists for the 2021 competition submitted by Columbia University, UCLA, the University of Chicago, the University of Miami, the University of Pennsylvania, and the University of Texas are available via our website, [https://herbert.miami.edu/graduate/find-and-compare-programs/real-estate-mba/impact-investing-competition.html](https://herbert.miami.edu/graduate/find-and-compare-programs/real-estate-mba/impact-investing-competition.html).

Please e-mail submissions as PDF attachments to: cre-impact@mbs.miami.edu.

For questions or additional information please contact

Professor Andrea Heuson

aheuson@miami.edu

305-284-1866