

## Reformation of the Curricula on Built Environment in the Eastern Neighbouring Area (CENEAST)

### MODULE SPECIFICATION

Module Title: <b>Construction Investments</b>			University module code: <b>EPJ3760</b>	
Level <sup>i</sup> : <b>MSc</b>	Credit Value <sup>ii</sup> :	ECTS Value <sup>iii</sup> : <b>3</b>	Length (in Semesters) <sup>iv</sup> : <b>1</b>	Semester(s) in which to be offered: <b>Autumn is preferred</b>
Existing module <sup>v</sup> : <b>(but requires development)</b>	Title of Module being replaced ( <i>if any</i> ):			With effect from <sup>vi</sup> : <b>Autumn 2014</b>
Originating School: <b>Tallinn University of Technology</b>		Module Co-ordinator(s): <b>Tallinn University of Technology</b>		
Programme(s) in which to be offered:				
Pre-requisites ( <i>between levels</i> ):			Co-requisites ( <i>within a level</i> ):	
Indicative learning hours: 32 hours lectures + 50 hours independent work		Percentage taught by School(s) other than originating School <sup>vii</sup> : To be determined.		
<p>Aims of Module:</p> <ul style="list-style-type: none"> <li>• To introduce students to investment, investment appraisal methods and investment decisions in the built environment.</li> <li>• To explore the current global, regional and national contexts in which construction investments are being made.</li> <li>• To make students aware of the policies, programmes and incentives / disincentives which influence investment in the built environment.</li> <li>• To give students an appreciation of the nature and motivations of investors and the types of investment projects.</li> <li>• To raise students' awareness of the environmental and social sustainability aspects of built environment investments.</li> <li>• To familiarise students with recent developments in project finance</li> </ul>				
<p>Intended Learning Outcomes</p> <p><u>Knowledge and Understanding</u></p> <p>On successful completion of this module, a student will be able to:</p> <ul style="list-style-type: none"> <li>• Understand the scope of and motivation for public and private sector investments in the built environment.</li> <li>• Explain the axioms of financial management and how these affect investment decisions.</li> <li>• Perform capital budgeting analysis using a variety of common techniques</li> <li>• Understand the concept of risk and be familiar with techniques for investment appraisal under uncertainty</li> </ul>				

- Appreciate economic, social, environmental and ethical considerations in appraising investment projects
- Discuss current issues in project finance.
- Understand the relevance of capital budgeting and project finance to the construction professional.

Transferable/Key Skills and other attributes

On completion of the module a student will have had the opportunity to:

- Analyze national and regional economic statistics and draw conclusions concerning levels of construction investment based on this.
- Independently derive and analyze the cash flow of an investment project and draw rational conclusions in terms of whether it should be funded.
- Assess construction investments from the point of view of potential sources of finance including project finance possibilities.
- Compare investment strategies on the basis of risk and expected return.

Module mark calculation:<sup>viii</sup>

Assessment components (in chronological order of submission/examination date)

Type of assessment <sup>ix</sup>	Weighting%	Duration (if exam)	Word count (if essay/dissertation):	Component pass required <sup>x</sup>
Written exam	100%	2 hours		Yes

Learning and teaching strategies<sup>xi</sup>:

The overall learning strategy is intended to be 'constructivist' where students are presented with authentic tasks in a meaningful context and emphasis is placed on students thoughtfully reflecting on their own experience and then being encouraged to elaborate knowledge for themselves in groups rather than being called on to simply reproduce knowledge 'given' to them by the instructor.

Consequently, the teaching strategy involves firstly awakening students' inherent interest in the subject and relating the learning material directly to students' own (economic) lives.

The assignments are designed to challenge students to consider issues and discuss them (in the light of their own experience and knowledge) in groups prior to their being formally introduced in the lectures. In this way they explore first what they already know about the subject and then look to build upon that - along the lines of problem-based learning.

Syllabus outline:

- Introduction to the subject
- Investors and sources of finance
- Construction investment project types and process
- Investment appraisal methods
- Cash flow analysis
- Capital rationing and project selection
- Incorporation of risk

- Economic, social and environmental evaluation of investment projects
- Project Finance

Indicative texts and/or other learning materials/resources:

*Core text:*

Keown, AJ; Scott, DF; Martin, JD and Petty, JW (1996) **Basic Financial Management** (7<sup>th</sup> Edition), Prentice Hall, New Jersey

*Recommended text:*

Any equivalent financial management textbooks in the local language.

*Journals:*

Including:

Construction Management and Economics  
Journal of Project Finance  
International Journal of Project Management

*On-line resources:*

Regional and national statistics databases (OECD, Eurostat, etc.)  
Research papers of the World Bank Group and similar international financial institutions  
Relevant news articles.

Date of completion of this version of Module Specification .....**September 2013**.....

Date of approval by the Faculty Programme Approval and Review Sub-committee: .....

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- i indicate level (e.g. first, second or third cycle; sub-level if applicable). All qualifications in the European Higher Education Area are located within three cycles - undergraduate; graduate and doctoral studies*
  - ii permissible credit values as set out in Institution's Academic Regulations*
  - iii European Credit Transfer System*
  - iv indicate 0.5, 1, 1.5 or 2*
  - v delete as applicable*
  - vi insert month and year of first/next delivery of module*
  - vii identify all participating Schools other than Originating School*
  - viii To be defined*
  - ix please indicate, in chronological order of submission date, each assessment component by type, e.g. examination, oral, coursework, project, dissertation*
  - x indicate Yes to specify the assessment component(s) to be passed in order to pass the module*
  - xi please note the requirement to give full consideration to issues of equality, diversity and accessibility*