

Special Graduate Subject Offering
“Entrepreneurship in Construction and Real Estate Development”
MIT – CRE
11.345J/1.462J
Mondays, 3:00 – 5:00pm – W31-301
2-0-4 Units, H2 – 10/31-12/12
Fall, 2011

The purpose of this subject is to explain the role of and the opportunities for the entrepreneur in the built environment. The built environment is defined as all the components and services that go into the structures and infrastructure in which we live.

We will discuss the definition of entrepreneurship; the concepts, skills, strategic planning, know how, know who, information, attitudes, alternatives and resources that entrepreneurs need. We will then review the evaluation of ideas, opportunities, and how one sorts them into viable entrepreneurial businesses.

We will have guest speakers’ address their outlook of what might be the status of the built environment over the next ten years. Entrepreneurs in the built environment will discuss the founding and the current and future positioning of their firms. We will discuss the steps to develop an opportunity into a business. With that basic foundation in place, we will evaluate the built environment and specifically the gaps in the design/construct/development enterprises that may lend themselves to entrepreneurial opportunities.

We will then develop groups within the class to recognize and evaluate opportunities. These groups will then develop a strategic plan to launch that opportunity/business.

Faculty:

John Kennedy has been a Lecturer at MIT’s Center for Construction Research and Engineering, and currently a Lecturer at MIT’s Center for Real Estate Development, where he has taught courses on Strategic Marketing, Real Estate and Entrepreneurship. He founded and harvested companies in the design construct enterprise and he is currently a Partner of Kennedy Ventures LLC and officer of B.W. Kennedy Company.

Topics Include:

- Entrepreneurship in New and Existing Firms
- Analytical Framework of Entrepreneurship
- Requirements for Success
- Creative Visualization
- Recognizing Opportunities in our Business
- Strategic Positioning of Entrepreneurial Opportunities

Class Readings, Assignments and Guest Lecturers

TEXT: New Venture Creation – Entrepreneurship for the 21st Century, Eighth Edition by Jeffrey A. Timmons and Stephen Spinelli, Jr., McGraw-Hill/Irwin

10/31/11 LECTURE 1: Introduction – Course Topic

Entrepreneurial Theories

Guests will evaluate the current environment and Assist in Opportunity Recognition

Guest Lecturers: David Geltner
Professor of Real Estate Finance & Engineering Systems, MIT Department of Urban Studies and Planning, MIT

Guest Lecturer: Thomas Ragno
King Street Properties, LLC

Guest Lecturer: Stephen Lynch
King Street Properties, LLC.

Guest Lecturer: Henry Irwig, Consultant
Beacon Capital

11/7/11 LECTURE 2: The Opportunity: Creating, Shaping, Recognizing, and Seizing

Introduction by example of Course Deliverable

Readings:

- “Marketing Management” Chapter 3, by Philip Kotler “Laying the Groundwork Through the Market Oriented Strategic Planning”
- Text – Chapter 1 – “The Global Entrepreneurial Revolution”
- Text – Chapter 3 – “The Entrepreneurial Process”
- Text – Chapter 5 – “The Opportunity: Creating, Shaping, Recognizing, Seizing”
- “Paths and Characteristics of Real Estate Entrepreneurs” by Michael Kazmierski, pgs 174 – 184 *

Assignment Due: Assignment #1 on STELLAR: “Goals”

Guest Lecturer: Dennis Fitzpatrick, President
O’Connell Companies, Inc.

Guest Lecturer: Jennifer Cookke, President, Owner
F.H. French Company

Guest Lecturer: Bryan Lee, Principal
Aspinwall Partners

Guest Lecturer: Peter Merrigan
Taurus Investment Holdings, LLC

11/14/11 LECUTRE 3: Positioning and Managing New Ventures

Readings:

- Text Chapter 8 - "The Business Plan"
- Text – Chapter 9 – "The Entrepreneurial Leader and The Team"
- Text – Chapter 10- "Ethical Decision Making and the Entrepreneur"
- The Executive Summary
- The 20-Slide Presentation

Guest Lecturer: Paul Brailsford, Founder
Brailsford & Dunlavey

Assignment Due: Assignment #2 on STELLAR: "Paths & Traits"

11/17/11 LECTURE 4: Selecting Business Opportunities – Dinner Meeting

- Session for students to choose opportunities by team, to develop new business
- *Assignment Due:* One paragraph of an opportunity in the Built Environment

11/21/11 LECTURE 5: Venture Capital / Real Estate Capital / Funds Capital

Readings:

- Text – Chapter 14 – "Obtaining Venture and Growth Capital"
- Text – Chapter 13 – "Entrepreneurial finance"
- Text- Chapter 16 – "Obtaining Debt Capital"

Guest Lecturer: William Cress, Founder
Prospectus, Inc.

Guest Lecturer: Carl Stjernfeldt
Castile Ventures

Assignment Due: Assignment #3: Defining Your Opportunity
on STELLAR site
Teams selected for business enterprises
Final Draft of Opportunities for business enterprise
as team

11/28/11 LECTURE 6: Legal Issues in the New Venture / Deal Structure

Readings:

- Text – Chapter 15 – “The Deal: Valuation, Structure, and Negotiation”
- “Marketing for the Construction Industry – The Marketing Planning System” by Norman Fisher
- Strategic Planning for Competitive Advantages in Construction Enterprises, by Betts & Ofori

Guest Lecturer: Thomas Ragno
King Street Properties, LLC

Guest Lecturer: Stephen Lynch
King Street Properties, LLC.

Guest Lecturer: Mark Johnson
Vice President Capital Planning & Project Management
Harvard University

Assignment Due: Conceptual 20 Slide Presentation per team

12/5/11 LECTURE 7: Managing Growth

Readings:

- Text – Chapter 17 – “Leading Rapid Growth, Crises, and Recovery”

Guest Lecturer: Yanni Tsipis, Senior V.P.
Colliers International

Guest Lecturer: David Leatherwood.
Norwich Partners

Assignment Due: Final draft “20-Slide Presentation”

12/12/11 **LECTURE 8: Student Presentations of Strategic Business Plans**

Panel:

Bill Cress, *Prospectus Inc.*

Tom Ragno, *King Street Properties*

Stephen Lynch, *King Street Properties*

Ted Nye, *National Development*