Real estate investment
Baruch takes on NYU with new master’s program

BY SAMANTHA MARSHALL

Baruch College is moving in on New York University’s territory.

The business school will debut its new master of science degree in real estate next fall, competing head-on with NYU’s program.

But it will cost a whole lot less.

NYU’s degree costs about $42,000 and takes four semesters and 42 credits to complete. Baruch's program will cost $6,400 to $8,100 for New York state residents, and will take just two to three semesters and 30 credits to complete. The Baruch classes are taught mainly by full-time faculty, while NYU’s program mostly uses adjunct professors.

Baruch says it is answering a growing demand from professionals looking for high-level technical and analytical jobs in real estate. The college expects much of the enrollment to come from students with experience in law, accounting, pension fund management, consulting, and regulatory services.

“More people need advanced training to go to the next step in their careers, so demand at the master’s level has been very high,” says Rui Yao, a professor in Baruch’s real estate department at the Zicklin School of Business.

Like universities across the nation, both NYU and Baruch have been beefing up and refining their real estate offerings along with the rise in residential housing prices. NYU’s School of Continuing and Professional Studies now has more than 750 students registered for its master’s program in real estate, up from 250 students eight years ago.

More skills needed

In the past, brokers didn’t need much academic training beyond state licensing requirements. But with so many different kinds of investors in the property game these days, from subprime borrowers to huge asset management firms, real estate professionals now need to be skilled in financial analysis and accounting.

“More skills needed”

More and more employers say that demand for advanced training in real estate has been very high.

‘More people need advanced training to go to the next step’

More skills needed. They also need a better grounding in subjects like zoning requirements and lease laws.

But Baruch’s timing in launching its master’s program may be off. With the housing market rocked by the subprime meltdown and real estate prices slumping, the rush of students into the field could taper off—by the time classes begin in September 2008.

“If the complexity of the market continues, logic would suggest more demand for people with expertise,” says Ken Patton, divisional dean of the NYU Real Estate Institute. “But with the prices in real estate, I don’t know what is going to happen.”

That’s not stopping the educators from offering options. Even the Real Estate Board of New York launched a course this year to help real estate professionals sharpen their expertise.

“We were getting demand from members who recognize that to stay on top, they have to work even harder,” says Eileen Spinola, senior vice president of REBNY, which had about 300 members applying for 30 spots.

Building enrollment

Baruch’s program is also aimed at brokers or people with experience in the business realm. The college says it expects about 40 students to enroll next fall and hopes to build a total enrollment of about 120.

For now, real estate experts say, there’s room for these new academic offerings. Volatility in the markets notwithstanding, brokers, lawyers, developers and accountants need to hone their analytical skills as real estate continues to be a leading asset class for pension funds as well as ordinary investors.

“More and more employers like us are looking for people with postgraduate academic training in the field,” says Peter Brooks, executive director of transaction real estate at Ernst & Young.

If anything, educators say a slowdown in the market makes it a perfect time to go back to school. “People are less busy closing so many deals a day and will have more time to study,” says Baruch’s Mr. Yao.