Property Deal Modelling Course: Rent Rolls, Debt Sizing, Returns and Sensitivity

23 – 27 May 2027
Manama

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Ref: 938_42379 **Date:** 23 – 27 May 2027 **Location:** Manama **Fees:** 4300 GBP

Programme Summary

Property deal modelling is the subject of this one-week training course for property investment, asset management and finance leaders, taught at managerial level and ending in a deal model review pack for one acquisition. Investment committees approve large commitments on the strength of models they rarely have time to test. The programme works through rent rolls, operating cash flows, debt sizing, equity returns and sensitivity, using prepared models from a fund and a developer-owner. Mars Training Centre UK delivers this programme on property deal modelling to mixed-organisation cohorts.

The Business Case

Leaders who can read, challenge and stress a property model make sounder commitments and spot weak assumptions before capital is spent. Where models are accepted on headline return alone, optimistic rents, thin debt cover and untested exit values go unseen until the asset underperforms. The programme works on the measures below.

- Forecast Accuracy: Improves when rent, cost and exit assumptions are traced to evidence and tested.
- Debt Headroom: Is protected when cover ratios are sized against downside cases.
- Committee Decision Quality: Rises when papers show returns together with the risks behind them.

Principles and Evidence Base

- Discounted cash flow: Values future property income at today's worth, applied in Sessions 2 and 5 to value a deal.
- Internal rate of return and equity multiple: Two measures of equity performance, applied in Session 4 to compare structures.
- Net present value: The discounted sum of inflows less outflows, applied in Sessions 2 and 5 to rank options.
- Debt service cover ratio: Income divided by debt service, applied in Session 3 to size borrowing.

Intended Participants

- Investment directors who present property deals to committees and answer for the assumptions.
- Asset managers who own the business plan and its forecasts for a holding.
- Finance leaders who review models, funding terms and covenant headroom.
- Fund and portfolio managers who compare deals across a pipeline.

Typical settings include property funds, developers, hotel and retail owners and sovereign or family investment offices.

Learning Outcomes

1. Participants will be able to construct a rent roll and operating cash flow from lease data.
2. Participants will be able to evaluate a model's assumptions against evidence.
3. Participants will be able to calculate the borrowing a deal can carry from cover tests.
4. Participants will be able to compare equity returns across funding structures.
5. Participants will be able to diagnose a model's weaknesses through sensitivity and scenario tests.
6. Participants will be able to justify a deal recommendation to an investment committee.

Programme Structure

Day 1: Property Deal Modelling Structure and Rent Rolls

How is a property model organised so that others can read and test it?

- Model Layout and Flow Map
- Input and Assumption Register
- Rent Roll and Lease Schedule
- Void, Incentive and Rent Review Rules
- Model Integrity Check List

Day 2: Operating Cash Flow and Valuation

What does the property earn, and what is that income worth?

- Operating Cost and Recovery Budget
- Capital Expenditure Plan
- Net Operating Income Build
- Discounted Cash Flow Valuation
- Exit Value and Yield Test

Day 3: Debt Sizing and Funding Terms

How much debt can the cash flow carry, and on what terms?

- Debt Service Cover Test
- Loan-to-Value Limit Check
- Interest and Amortisation Schedule
- Covenant Headroom Table
- Refinancing Case

Day 4: Equity Returns and Structures

Which funding structure gives the better equity result for the risk taken?

- Internal Rate of Return Calculation
- Equity Multiple Comparison
- Joint Venture Profit Split Table
- Fee and Promote Schedule
- Net Present Value Ranking

Day 5: Sensitivity and Deal Model Review Pack

Do the results hold up when assumptions move, and can a committee rely on them?

- Sensitivity Grid on Rent and Yield
- Downside Scenario Comparison
- Testing the Session 3 Debt Case
- Reviewing the Session 4 Return Table
- Completing the Deal Model Review Pack

Methodology

The programme is a data-led exercise built on prepared property models from a fund and a developer-owner: lease schedules, cost budgets, loan terms, valuations and committee papers. Participants build and test cash flows, size debt, compare structures and defend their findings to peers acting as an investment committee.

- Suggested activity: Building a rent roll with breaks and rent-free periods.
- Suggested activity: Sizing debt for an office asset against a cover test.
- Suggested activity: Marking assumptions in a model that overstates exit value.

Capstone Output

Each participant completes a deal model review pack for one acquisition. It holds an assumption register, a valuation and debt check, a return comparison and a sensitivity summary with a recommendation. At work it goes to the investment committee with the deal paper and becomes the checklist for later model reviews.

Frequently Asked Questions

Is property deal modelling training suitable for leaders who do not build models themselves?

Yes. Property deal modelling is taught through prepared models and templates. You need responsibility for presenting, reviewing or approving property deals, but no advanced spreadsheet skill.

Which measures does property deal modelling rest on in this training?

Property deal modelling here rests on discounted cash flow, net present value, internal rate of return with equity multiple, and the debt service cover ratio.

How is the review pack from property deal modelling training used at work?

You take the deal model review pack to your investment committee, use its assumption register to challenge forecasts and reuse its checklist on each later model.

How does property deal modelling differ from property valuation?

Property deal modelling tests cash flow, debt and returns across scenarios for one deal, whereas valuation gives a single opinion of value at a date.