

# REAL ESTATE RISK MANAGEMENT FUNDAMENTALS

## **COURSE OVERVIEW**

This foundation course provides a comprehensive introduction to risk management principles and practices in real estate. Participants will explore risk identification, assessment methodologies, mitigation strategies, and basic insurance concepts. The program establishes essential knowledge required for professionals involved in property investment, development, and management. Through practical exercises and case discussions, participants will build a solid understanding of how to identify, assess, and manage risks in real estate activities.

## **TARGET COMPETENCIES**

- Risk Identification
- Risk Assessment
- Mitigation Strategies
- Insurance Fundamentals
- Risk Monitoring

## **COURSE OBJECTIVES**

By completely attending this course, participants will be able to:

- Identify key risk categories in real estate activities
- Assess risks using fundamental evaluation methodologies
- Develop basic mitigation strategies for common risks
- Understand insurance products and coverage options
- Establish risk monitoring and reporting practices

## **TARGET AUDIENCE**

This course is designed for professionals seeking to understand risk management fundamentals in real estate. It is suitable for:

- Real estate professionals new to risk management
- Property and asset managers
- Development and project team members
- Investment analysts and support staff

# **COURSE METHODOLOGY**

This course combines interactive lectures, risk assessment exercises, case studies, and group discussions to reinforce learning.

## **COURSE OUTLINE**

### **RISK IDENTIFICATION**

- Risk Categories
  - Market and economic risks
  - Operational and physical risks
- Risk Sources
  - Internal and external risk factors
  - Property-specific risk characteristics
  - Tenant and counterparty risks
- Identification Techniques
  - Risk registers and checklists
  - Stakeholder input and workshops

### **RISK ASSESSMENT**

- Assessment Methods
  - Probability and impact analysis
  - Risk scoring and prioritization
- Qualitative Analysis
  - Risk matrices and heat maps
  - Expert judgment and assessment
  - Risk appetite and tolerance
- Quantitative Basics
  - Expected value calculations
  - Sensitivity analysis introduction

### **MITIGATION STRATEGIES**

- Response Options
  - Avoid, reduce, transfer, accept
  - Selecting appropriate responses
- Mitigation Techniques
  - Contractual protections
  - Diversification strategies
  - Physical and operational controls
- Implementation
  - Action planning and responsibilities
  - Cost-benefit considerations

### **INSURANCE FUNDAMENTALS**

- Insurance Types
  - Property insurance coverage
  - Liability and professional indemnity
- Coverage Considerations
  - Policy terms and conditions
  - Exclusions and limitations
  - Claims processes and requirements
- Insurance Management
  - Insurance program basics
  - Broker and insurer relationships

### **RISK MONITORING**

- Monitoring Systems
  - Risk tracking and reporting
  - Key risk indicators
- Review Processes
  - Periodic risk reviews
  - Trigger events and escalation
  - Lessons learned and improvement
- Communication
  - Risk reporting formats
  - Stakeholder communication