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# THE ROONEY GROUP

7635 WEST BLUEMOUND ROAD  
MILWAUKEE, WISCONSIN 53213  
414 476-6500

October 12, 1979

Mr. James A. Graaskamp  
202-A Breese Terrace  
Madison, Wisconsin

Re: University of Wisconsin Real Estate Alumni  
Association Newsletter Deadline

Dear Jim:

As we discussed at the board meeting of the Real Estate Alumni Association in Madison on Saturday morning, September 15, 1979, the Newsletter will be a quarterly publication with the summer issue consisting of the new improved alumni roster.

I will need items for the Newsletter from you concerning promotions, new companies, alumni activities, placement opportunities, professional designations, or anything else you would want to communicate to the alumni through the Newsletter.

## Deadline Dates

January 10  
April 10  
July 10 - Roster  
October 10

## Publishing Dates

February 10  
May 10  
August 10  
November 10

We are still working on the Fall issue to be published in November. Please send me anything you want to be included as soon as possible.

Sincerely,



Michael A. Rooney,  
THE ROONEY GROUP

MAR:cas

## First Draft-Alumni Newsletter

The massive turnout of 150 alumni at the second biennial reunion is still causing ripples here on campus. First, the students presently in residence were greatly impressed and given great pride in the support promised by eventual membership in such group. Then, too, Dean Blakely saw the group as a real affirmation of his belief in a relevant and practical education in business matters; he is presently acting Dean, and it remains to be seen whether he will eventually be confirmed as Dean of the entire school should Dean Bock, now on leave, decide to return to academic life. Other faculty have heard about it and commented favorably while passing us in the halls. And perhaps most unusual, our guest speakers who were not alums wrote us thank-you letters for the opportunity to participate. As for myself, the demonstration of esprit d'corps and professional attainment was a source of satisfaction and pride that exceeded even that of my romanticized participation in high school sports when we went undefeated in five years of football. What is there to say except wow!

A financial summary of the reunion extravaganza would be:

Total receipts	9463.00
Lowell Hall-rooms	(1548.00)
Lowell Hall-food and drink	(4734.85)
Football tickets	( 720.00)
Guest speaker expenses	( 62.50)
Administrative Payroll	( 77.00)
Doc de Haven	( 400.00)
Miscellaneous Expense	( 134.05)
Net surplus for Randall Bank Acct.	\$1786.60

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In addition, the Real Estate Club took in \$ 388.50 in book sales.

Interviewing has begun with a relatively new twist. A number of firms such as Coldwell Banker and Levanthol & Horwath are hosting an evening of general discussion prior to interviews the following day to meet students who may be graduating two or three semesters in the future. They also hope to educate the student to opportunities and remove misconceptions which they may have about careers in brokerage or consulting or banking. This year there is more emphasis on commercial brokerage, and the first meeting of the Real Estate Club was an excellent statement of the case for investment brokerage by Norman Flynn and Gary Bebin of the Coldwell Banker Chicago office will expand on that theme later in the semester. The Real Estate Club enjoyed a rich day in Milwaukee with Bob Reuss and Gene Skaggs hosting for Northwestern Mutual and Doug Wilson hosting for the First Wisconsin. Indeed all of the First Wisconsin brass including Roger Fitzsimmons and Dick Holscher spent generous amounts of time with the students at a swanky cocktail party on the 40th floor of the bank to open the recruiting season.

The Urban Land Institute will be announcing a new modular textbook of 16 page units on the development process, directed primarily to the quantitative aspects for physical planners and political administrators. This series will be edited by Professor Graaskamp, and the first five or six titles and authors have been selected and will involve some of our alumni as well as other good people around the United States. This opportunity will serve to inform others about the Wisconsin viewpoint. We've also been approached by the SIR to assist in their educational program development. Fran Larson's new manual Techniques for Writing Business Reports is now off the presses and available to alumni at 20% off the list price \$8.95. Similarly, a new anthology of Ratcliff writings, Ratcliff on Real Estate Valuation and its Roots in Land Economics, (since 1949) is available at 20% off the retail price of \$15.00. Make checks payable to University of Wisconsin Real Estate Club, and mail to Room 118, School of Business, 1155 Observatory Drive, Madison, 53706.



1985  
F. S. S. S.

## ALUMNI NEWSLETTER

### WOW - WHERE TO BEGIN?

This bundle of messages will be organized into a more presentable Alumni Newsletter for the Spring edition, thru the efforts of Dan Volpano and crew of volunteers. In the meantime, we will try to communicate with some high impact information bits, hopefully shot from a small bore.

### October Alumni Seminar

By all accounts the Alumni Seminar was the best and biggest ever as a result of the efforts of many people coordinated by M. S. student Susan Thomas, who once managed seminars and conferences for FNMA.

Total official attendance was 365 persons, of which 93 were current real estate students and 257 were Alumni. There were 15 non-alumni speakers, as well as a majority of spouses and spices.

Lowell Hall Management reported that the Real Estate Alumni set a new record of \$600 per hour per cash bar during Friday evening's cocktail session.

A general accounting as of November 22, 1985 would look like this:

Starting Bank Account:	\$ 87.78
Pre-registration Revenues:	26,973.93
Plus: Registration Revenues at the door:	5,077.00
Plus: Pass throughs for tickets and meals:	10,480.14
Less Refunds:	<u>- 1,046.40</u>
Total Revenues	\$41,572.45
Less Pass throughs:	-10,480.14
Less Expenses:	<u>-24,052.06</u>
Total	\$ 7,040.25

The profit will be approximately \$7,040.25; this will be transferred to the Alumni Foundation Account 199 to cover administrative costs of the Alumni Program and the legal costs of organization, fund raising, scholarships, and related programs.

The only real loss was the fact that there was no time to visit with each of you personally to learn about the fascinating projects and procedures you are all into. By the time I covered administrative duties and airport greeting chores for the speakers there was no time to visit. I want to thank you all for your continuing support, and loyalty despite my seeming neglect for your offerings of case studies, computer programs, and job leads. We are assimilating all of these as we go along even though I sometimes forget to send along a thank you note.

We have probably outgrown Lowell Hall for 1987 and will try to make arrangements with the Concourse Hotel.

J.P. Morgan Investment Management Inc.

9 West 57th Street, New York, NY 10019

Daniel J. Volpano  
Assistant Vice President

Telephone 212 826-7194

October 29, 1985

## J.P. Morgan Investment

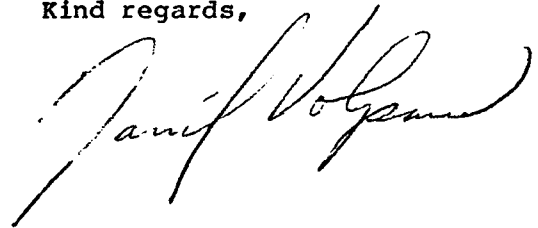
Ms. Dianne Orbison  
Investment Officer  
Real Estate Operations  
Mutual Service Life Ins. Co.  
Two Pine Tree Drive  
Arden Hills, Minnesota 55112

Dear Dianne:

I have prepared a short outline setting forth the responsibilities of the publicity committee for which Ken and I will equitably distribute. Also, I have elaborated on my intentions to set up a student based Alumni newsletter. Karen Wilbrecht, presently a master's student, has been kind enough to research the idea and is in the process of setting forth some of her own thoughts. Subject to group consensus, I would like to work with Karen in establishing a new format for the newsletter and improve the character of this publication consistent with the enclosed proposal. We would attempt to have the first issue completed by the end of March, 1986. Thus, I would hope Chief could provide us with his usual newsletter summarizing the Alumni activity this fall.

Please advise at your earliest convenience.

Kind regards,



cc: Ken Livadas  
Karen Wilbrecht  
James A. Graaskamp

TO: Dianne Orbison  
FROM: Daniel Volpano (Eastern Director)  
DATE: October 29, 1985  
SUBJECT: Committee's Plan and Objective

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WISCONSIN REAL ESTATE ALUMNI ASSOCIATION, INC.  
PUBLICITY COMMITTEE

Members: Ken Livadas (Chairperson)  
Daniel Volpano (Vice Chairperson)

OBJECTIVE

Apart from the overall intent of promoting relations and creating exposure for the Alumni Association, the publicity committee will be involved in and/or will conduct the following:

- Annual Report: In conjunction with the Finance Committee, the Publicity Committee will assist in the development of its content and distribution.
- Press Release/s: On occasion, specific events of the Association will require exposure in certain public forums. As it is determined by the officers, directors or members of the Association, any requirement for media and/or press exposure will be coordinated and implemented by the publicity committee.
- Newsletter: In the opinion of the publicity committee, the newsletter should be the primary vehicle for communication within the Alumni network and between the Association, the University and other interested groups. In this regard, the committee would like to propose that consideration be given to improve the caliber and content of the publication such that it can be used as a means of alumni communication as well as a publicity tool. Listed below is a brief outline setting forth my ideas to change the character of the newsletter.

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NEWSLETTER PROPOSAL

Newsletter - Team "Staffing": The intent would be to shift the primary responsibilities for publication to a select group of student volunteers. I have asked Karen Wilbrecht, currently a real estate master's student, to investigate the possibility of creating a student generated alumni newsletter published by her and perhaps one other student with Chief acting as "chief editor". The concept would be to establish a framework that would allow graduating students to be replaced easily by energetic new enlistees.

NEWSLETTER CONTENT:

Specific areas or columns of discussion would include:

- Curriculum and academic change within the real estate program and the School of Business, as it relates to real estate.
- News of Faculty and research projects underway or perhaps a feature article related to some area of research.
- Student events, opinions, observations about program, industry etc.
- Alumni Activity within each region e.g. "The Voice of Region".
- Feature articles highlighting alumni achievements or accomplishments.
- Career Placement Forum
- Fund raising progress.
- Etc.

NEWSLETTER "SOURCES OF INPUT"

- The student participants would have access to the regional board members along with any alumnist for a variety of "What's happening in the 'real world' input"?

- 
- "Chief" - most likely he would want his own column and as editor his contribution would remain significant.
  - Of course, the student body and remaining faculty would also be a major source to draw upon.

NEWSLETTER - COST AND FREQUENCY

It is proposed that at a minimum, a spring and fall issue be prepared and possibly on a quarterly basis. While no estimates of cost have yet been prepared, this effort would certainly be in excess of any newsletter expense to date.

cc: Ken Livadas  
Karen Wilbrecht  
James A. Graaskamp



March 16, 1972

Dear Alumnus:

This semi-annual newsletter has been delayed by the ferocious pace of the last year due to expanding course offerings, an expanding number of students, and increasing participation in professional adult education.

This year Property Development was split into a residential course in the fall and a commercial course in the spring. The fall semester stressed multi-family construction and featured two hour lectures by alumni Steve Valinet of Gene B. Glick Company on 236 Feasibility Analysis and by Elzie Higgenbottom of Baird and Warner Company on apartment finance. The spring course is placing more emphasis on developer-contract problems with professionals and contractors and in recreational property development. The format involves a 7:45 A.M. two hour lecture on Monday mornings but enrollment is up to 70 despite this malicious pre-screening effort.

The graduate program has 8-10 Ph. D. candidates, depending on whether you count part-time students or not, and 44 in the master's program, including a dozen on a two year track as they did not have a business administration degree. To teach the additional load, Professor Norbert Stefaniak from University of Wisconsin-Milwaukee has joined our staff part-time to teach the graduate appraisal seminar. Pretty fancy part-time help. All of the graduate students received six hours "hands-on" flying time on computer terminals this year. The terminals were borrowed with no charge from EDUCARE but we had to turn them off when we exhausted a \$1,000 gift and ran a deficit of \$300. The University refuses to finance time sharing although it is cheaper than the University's own computer. The job market remains strong and Graaskamp and Clettenberg get itchy for big money when we see some of the opportunities the students have this year.

On the adult education front we are offering EDUCARE on campus here at least five times this year, the SRA 201 and 301 course, and a number of one day specials on statistics. Alumnus Mike Feiner now administers the UW Extension Real Estate program. Chuck Clettenberg has been flying around the country teaching statistics to appraisers and counselors who think they are learning "new methods of market analysis".

Yours truly has been staging his feasibility seminar as far west as Hawaii and as far south as West Palm Beach.

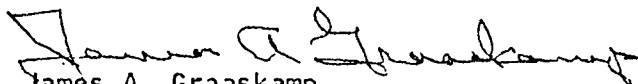
MS graduates should note that the Society of Real Estate Appraisers will give you credit for the 101 and 201 requirements of the SRA designation without the exam. Our program is the only one they so recognize. Thus it is only necessary to take their two day narrative appraisal seminar, write a demonstration report on an income property, and a short problem demonstration exam on residential appraisal to complete formal education requirements. As yet the institute does not recognize the SRA designations nor the University of Wisconsin, however.

Enclosed are a number of readings from the past semester which you may enjoy. If you have opportunity read the entire book, Encounters With the Archdruid, by John McPhee originally for the New Yorker magazine and now published in hard-back form by Farrar, Straus and Giroux. An excellent statement in droll taste of the environment vs development issue. We had one of the originators of Syntectics, Tony Poze, on campus for several days to teach their approach to creative thinking, an approach considerably revised since the 1962 book which you had as a text. We have a few of the new workbook-texts available at \$16 if you are interested.

Enclosed is a picture of our real estate lab and library. Library is organized by topic, author and title. In addition, we have a number of real estate magazine subscriptions on hand which are not carried by the Business School Library. We are adding about fifteen titles a month including some great old classics which Mel Gruenhagen finds in the second hand shops. All contributions of materials, particularly feasibility studies and the like are accepted with pleasure. We will shortly add an automatic slide carrel so the students may use the slide collection with cassettes which we already have. Anybody that wants to send slides of outstanding projects is encouraged to do so. Number the slides and indicate on the cassette when to change to the next slide. The department has added its own carousel equipment and Instamatic camera courtesy of Don Evans, so that students may do slide essays of a building or a project in lieu of book reports.

Frank Haran, Jr. of Hartford, Connecticut has been the librarian all year, receiving \$250 each semester from the Alumni Real Estate Library Fund. If you would like to continue this worthy project (the scholarship more than the newsletter) how about sending \$15 payable to: UW Foundation - Real Estate Library Fund. You will have a receipt and a tax deduction.

We have every good intention of sending you the next edition in September, perhaps including a first edition copy of the Clettenberg and Graaskamp authoritative work on statistics for real estate appraisers, perhaps called "A Histogram is Not a Major Operation." Then again Dr. Andrews may have discovered a new urban crisis.

  
James A. Graaskamp  
Associate Professor in Business

# University of Wisconsin Madison

**School of Business**  
1155 Observatory Drive  
Madison, Wisconsin 53706

**Graduate School of Business**

October 27, 1976

Hello Real Estate Alums!

Once again we have tried to update our mailing addresses and employment list and mail them out before they change again. Nevertheless, since the list went to the copy center, Bob Brazee reported he has joined the First National Bank of Minneapolis in the Construction Loan Department and Greg Boyson has been located with the Real Estate Mortgage Department of Mutual of New York, in their Cleveland office.

Relative to the MS Program, we have 38 registered this fall with 7 graduating in December. In the PhD Program, we now have Seth Gakpo, Jay Sa-adu, and Terry Grissom, together with our artists and residents, Delisle, Fisher and Robbins. Robbins is in charge of the 550-705 course and Delisle is teaching 551 this fall. Except for the December graduates, 850 (Equity Investment) is now offered in the spring as the capstone course. We are now using the completed version of Mr. Cap, a truly sophisticated cash flow model in both 551 and 850 and graduate students are required to have 551 before taking 850.

As you know, in the spring we teach our own land use control law course (852) for 3 credits with Rod Mathews. Jim Canastero now has a firm hold on Residential Development and many of you will be pleased to hear that Craig Stanley is one of the most popular teachers in the program with his 557. Indeed, the MS students are going to Stanley to complain about Graaskamp, since I introduced an English teacher in writing labs in the 856 course (Appraisal) each Wednesday. Indeed, students completed the first draft of their commercial appraisal by the six weeks and are being graded on both appraisal and English, before they have to rewrite the same appraisal in letter-perfect form during the second half of the semester. Much grumbling! However, I found that those students who received nit-picking treatment on their appraisals for 795 credit or to make up incompletes learned more appraisal. The architect is not permitted sloppy line drawings (his media), the engineer is not permitted approximate mathematics (his media), and the appraiser should not be permitted sloppy English composition (his media).

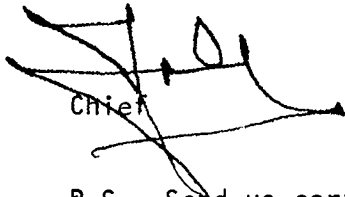
Many good things happened to the program this past year. Undergraduate alumni of the School of Business in general again voted the Real Estate force (550) the most useful core course they took while in school. The Business School MBA students have requested Dean Bock to restudy the MBA Program so that it could have more of the morale, discipline, sense of identity, fun, and placement success of the MS Program. We also received checks made out to the Wisconsin Foundation Real Estate Fund from people like Dan Abbott, Dave Tomforhde, Greg Schmidt and Mike Feiner. Others have done so in earlier years, but such gifts occurred at an increasing rate and amount this year to help a variety of students in the program. For example, \$25.00 is enough



to generate a \$250.00 work study grant from matching federal funds. Don Weiss received his PhD in August. Now we can advertise our program as providing research to riches and romance, as Elaine Wood (MS) married Jay Kramer (MS) after I gave formal permission at a banquet of Alumni in Denver in August.

Enclosed is a summary of the new tax reform bill in which Real Estate was treated well compared to farms and cattle and oil. What has us more worried is the new copyright law which will prevent multiple copies for classroom distribution almost completely. A good example of the college textbook publishers being able to lobby congress as the ripor, while the students that are hurt (ripee), pay the price.

Keep those cards and letters coming,

  
Chief

P.S. Send us corrections to the graduate address list. The undergraduates would also like to start their own undergraduate mailing list, so please send names and addresses of undergraduate UW Real Estate majors who are working with you or nearby. Thank you.

# UNIVERSITY of WISCONSIN Real Estate Alumni Association

6402 Odana Road

Madison, Wisconsin 53719

October 28, 1977

Dear Real Estate Alumnus,

All's on for the Alumni Seminar November 10-12. Doc DeHaven will be our featured performer for the banquet and bash Friday night. So far the turnout looks excellent. For those of you who have not returned the application, please do so as soon as possible.

We will be publishing a newsletter soon after the seminar. Mike Rooney will be the editor and welcomes all literary contributions. Mike's address is: 8822 Jackson Blvd., Wauwatosa, Wisconsin 53213.

As usual, Prof. Graaskamp is acting as a semi-placement service and has several job openings available. Anyone interested should contact him for further information.

Looking forward to seeing you at the banquet.

Sincerely,

*Ken Livadas*

Ken Livadas  
Program Administrator

# University of Wisconsin Real Estate Alumni Association NEWSLETTER

December 1977

Volume 1, Number 1

## Editor's Note

The purpose of the Real Estate Newsletter is to establish a regular communication vehicle among the graduates of the University of Wisconsin Real Estate program and a method to keep in touch with current developments occurring with the real estate program in Madison.

This issue will feature a summary of the first University of Wisconsin, Real Estate Alumni Reunion held in Madison on November 10, 11, and 12, 1977. The newsletter hopes to be a quarterly publication. Ideas for future issues include a review of Alumni Association activities, articles (white papers, position papers, theses, etc.) by current professors, bibliography of current real estate publications, a review of an outstanding current publication, reprints of articles written by members of the Alumni, employment opportunities, updated rosters, personal notices, letters to the editor, and perhaps a centerfold of the financial statement of a successful REIT program.

This newsletter is your newsletter. The newsletter will be what you want it to be. The Alumni Association will be what you want it to be. So please send me your comments, ideas, articles, criticisms, and names of volunteers for future editors of the newsletter:

Michael A. Rooney  
8222 Jackson Park Boulevard  
Wauwatosa, Wisconsin 53213  
414 257-2296

## The Reunion

The reunion was a microcosm of the University of Wisconsin Real Estate Program-- five pounds in a one pound bag. 72 grads attended which was a remarkable turnout considering that it was the first reunion, that the Real Estate Program is relatively new with most graduates still transient and that the NAREB convention was in Miami the same weekend. Most attendees returned home with suitcases filled with books, mimeographs and swizzle sticks that are still being assimilated. The older grads (those graduated before 1976) were in cultural shock akin to Rip Van Winkle seeing his first X-rated movie. The younger grads were still playing the role of the Artful Dodger, concerned that the Chief or one of his elves would remember some overdue paper, exam or incomplete project. All expressed satisfaction of an excellent program, commitment to contribute to a better reunion seminar in two years and a desire to establish frequent local Alumni gatherings.

The program started Thursday night, November 10, with cocktails and dinner. "Can you top this" dominated the conversations, but once this initial jesting took place, the group settled down to a serious interchange of ideas orchestrated by Professor Graaskamp.

The Thursday evening session covered a myriad of topics but four main points evolved:

First, the Real Estate Program is alive and well with about 50 students in the Master's program and 7 in the Ph.D. program representing diverse backgrounds and many parts of the country even with the high out-of-state tuition. This indicates that the Real Estate Program at the University of Wisconsin is a superior program filling a definite need.

Second, many changes have taken place in the Real Estate Program in a constant effort to improve the program based on the feedback from graduates and employers as well as keeping pace with the changes in the real estate profession. Jim Graaskamp (The Chief) has a seven member staff including Roderick Matthews, Craig Stanley, James Canestero, Michael Robbins, Jim DeLisle and Terry Grissom. A unique aspect of the program is that not only does the program develop the technical skills but also emphasizes the communication skills. Each student must prepare appraisal reports that are both technically and grammatically correct. Fran Larson, special consultant to the department provides English grammar grading and tutoring. Significant in the development of the program is that Wisconsin is preparing its own text materials. A major effort in this regard is the Simpson Building Appraisal. This appraisal was a class project. Five of the best reports were selected and rewritten by Jim Graaskamp into one model report. The report was edited with explanation and comments on the left page and the text material on the right. This was printed and provided to the student who found other errors which were corrected. The report was sent to Richard Ratcliff who was elated that his theories were finally put to practical use and Professor Ratcliff has promised to write the forward. Furthermore, the buyers of the Simpson Building will provide the epilogue with their reasoning for acquiring the building, their calculations in so doing, what they have done with the building and the results of the renovation to date. This report will be published and available in early 1978. You will receive information on the availability of this report as soon as plans are more definite.

Third, the Urban Land Institute has established a higher education committee to provide funds to universities that provide superior real estate programs. The University of Wisconsin is included in this group along with Harvard, Stanford and Pennsylvania.

Fourth, the students in the Real Estate Program will have to cut back on their use of the computer due to change in the University computer management and the Business School budget. If this problem is not resolved, the Alumni Association will be called on to help in this matter.

Friday's sessions included a continuation of the discussion with Jim Graaskamp. He explained how MKTCOMP was used to value all the properties of Maple Bluff, Wisconsin for assessment purposes. Jim explained the MKTCOMP program was available. EDUCARE and the federal governmental agencies were the major users of this program.

Rod Matthews took us through the recent significant land use court decisions. The trend indicates an increasing governmental intervention in land use and that down zoning may take place with no compensation to the property owner. Occasionally the appraiser and developer will have to be sure that the zoning and even future government land use plans include the use that they have in mind. Rod Matthew's course on Land Use Law was so popular in the Business School that it is also repeated for Law School students.

Professor Craig Stanley introduced us to the economic model for the Milwaukee SMSA that was developed at the University of Wisconsin School of Business Administration. Plans are under way to develop a similar model for other areas. The model provides forecasts that can be immensely valuable to the appraiser, developer, lender and planners.

Professor James Canestero explained his program of teaching construction methods and terminology. Jim has developed an excellent slide program, documenting all the steps in a construction program. Jim requested that the grads provide him with the working papers, architectural plans and slides of other construction projects that could be developed into case studies. Jim is trying to improve this course by making it more practical and less theoretical.

Michael Robbins introduced us to the 'Wonderful World of MR CAP.' This new and improved cash flow analysis program is the New Deal for the Real Estate Investment analyst--everything for everybody. Robbins plans to have the MR CAP program on EDUCARE before the summer of 1978. If you would like more information on MR CAP, just write Michael Robbins at the University.

Friday evening we had an excellent dinner and danced to the music of Doc DeHaven. During the evening it became clear that even though we are living in an era of accelerating change certain things remain the same.

First, the Real Estate Alumni still party with the same intensity as they work.

Second, Doc DeHaven still plays a fine horn.

Third, if B.S were money, all the Real Estate grads would be millionaires.

Saturday morning over Bloody Marys the first Real Estate Alumni meeting was held. Don Evans was named Coordinator, the creation of the Newsletter was announced, articles of organization were presented, alumni funds will be used for grants, teaching aids, and other special projects to enhance the program under the advice of Jim Graaskamp. Details of the Association are found in the copy of the charter that is attached. Total revenues from the seminar for room, board, materials, etc. were \$4,699.50; total expenditures were \$4,509.40, leaving a balance of \$190.10 in the check book at Randall State Bank with which to fund the postage on this newsletter.

### Regional Meetings

Graduates of the Real Estate Program are meeting on a regular basis in San Francisco and Chicago. If you are interested in attending the San Francisco meetings, contact Jim Curtis at the Bank of America in San Francisco 415 622-4759. In Chicago contact Jeff Davis at Baird & Warner 312 251-2635. We are also trying to gather in Milwaukee. Contact Lyn Lee, First Bank - Midland, Milwaukee 414 278-5712 or Mike Rooney, American Appraisal Company, Milwaukee 414 271-7240 or at home 414 257-2296.

### Financial Notes

As of October 31, 1977, the Alumni had contributed \$2,205.50 to the Wisconsin Foundation. Of this, \$1,110 had been given to the School of Business for work study grants, including one for the Alumni Administrator, Ken Livadas, two tax assessment research assistants, Doug Heston and Bernie Verhoeven, and one \$500 scholarship to an MS student. Expenses have primarily been for preparation of a computerized address system, postage, and copy work totaling \$244.76. None of the funds were used for the reunion and additional receipts from new members have provided almost \$1,200 balance for student aids in the second semester. Thus, donations and dues funnel directly to students. If we can reach a membership of 300 and average dues and donations of only \$15 per person annually, it will mean more than \$4,000 a year in student aid. At 8%, that is the equivalent of a \$50,000 endowment fund!

### Employment Notes

Johnson Wax in Racine, Wisconsin is looking for a vice president to administer their Corporate Real Estate Department, Development Division. He should have administrative experience and experience in residential land development and construction. The Department already has a good construction man and a good sales manager so the need is for an administrator and strategist. The division does small but classy residential projects including patio homes in southern Wisconsin. Call Bill Cody at Johnson Wax for details.

Consolidated Paper Company in Wisconsin Rapids, Wisconsin is looking for a corporate real estate manager with three to five years experience; this position would involve warehouses, offices, etc. rather than timber land. Call Dick Hilliker at Consolidated Paper Company.

A major firm on the west coast is looking for a young MAI, or near MAI, at \$28-30,000 to be located in the Los Angeles area. In Tucson, Greg Lee, (MS-1969) is a partner in an independent appraisal company which is looking for someone with three to five years experience who would like to complete his appraisal designation. Beginning salary working toward percentage of billings and equity in firm. Write Greg Lee, P.O. Box 3928, Tucson, Arizona 85717, or call 602 88-1700.

# University of Wisconsin Real Estate Alumni Association NEWSLETTER

March 1978

Volume 2, Number 1

## Editor's Note

This issue introduces two new regular features of the Newsletter, (as this is the second issue, that is not very difficult). The first is an article by Professor Graaskamp and the second is reports from the regional directors. The reports highlight:

- real estate trends and developments in their regions that will be interesting to the Alumni in other parts of the country
- current Alumni Association activities
- individual graduate achievements
- employment opportunities

The Alumni Association is divided into 7 regions. This issue features reports from 4 regions: mountain, southwest, central and east. The next issue will have reports from the remaining 3 regions: west, north central and the southeast.

Seeing that the Alumni are involved in projects, developments and appraisals, you may appreciate Rooney's Six Phases of a project:

- First: Enthusiasm
- Second: Disillusionment
- Third: Panic
- Fourth: Search for the Guilty
- Fifth: Punishment of the Innocent
- Sixth: Praise and Honors for the Non-Participants

Thank you for your kind comments concerning the first issue. Send your comments, ideas, articles, criticisms to Michael A. Rooney, 8222 Jackson Park Boulevard, Wauwatosa, Wisconsin 53213, (414) 257-2296.

Professor James Graaskamp, Chairman, Real Estate and Urban Land Economics, reports...

The second semester of the real estate program on the Hill is off to a turbulent start. Attendance in real estate courses is strong and the experiment to replace a generalized course in marketing research with a more focused real estate market research program in 757/857 for 4 (four) credits is under way. Craig Stanley is lecturing the first five weeks to set up a retail trade survey which will attempt to measure leakage from the Square residential population to peripheral centers. Several grad students were paid to set up census data on computer in advance of the survey to facilitate analysis rather than clerical work. However, the entire School of Business is in a state of shock since the 1410 in B5 was shut down in late December and replaced by a PDP 1170 for student terminal access. To release funds for transitional costs, the Dean ruled out use of the 1110 for instruction purposes so the only terminals available to Business School students are those in the Business School. However, the Dean procrastinated in ordering terminals and hard wire lines to the computer at MACC with the result there are only five terminals in the School of Business, four with audio phone couplers, and only two phone numbers to dial the PDP 1170. The Real Estate Department is the only department that has terminals with audio couplers, staff who can train the graduate students, and graduate students who can train the undergraduates because Robbins, Stanley, Frazer Gurd, Terry Grisson, and some volunteers sacrificed their semester break. Our terminals don't work regularly and the School of Business is receiving little help from those who sold us the computer because they tend to work in basic and our programs are in Fortran. Thus, two weeks into the semester, all we have to work with is BFCF from EDUCARE, Mini-Mod, and a statistical cross tab process for the census data. MR CAP has proven too big for both core and memory of the new system, a contingency we were told could never happen. Thus 550 and 850 are teaching cash flow, not knowing which programs will be running when we need them by the end of six weeks.

Our Placement Department publishes a list of starting salaries of recent BBA, MBA, and MS graduates from the School of Business. The recent list showed nobody from real estate getting a job. To correct that record, would graduates from the two or three years please send me a note on their starting monthly salary and their current monthly salary so I can compile some statistics for the School of Business Placement Office. No names will be revealed - only monthly salary and type of job (i.e., bank, developer, insurance company, etc.). Since the average for all MBA's in December of '77 was barely \$15,000 a year, I think the real estate program can knock a few hats off in the Business School Placement Office, not to mention the Graduate Studies Committee. Just scribble a note to Prof. James A. Graaskamp, Room 118, School of Business.

I recommend that the alumni obtain a copy of THE POWER BROKER: ROBERT MOSES AND THE FALL OF NEW YORK by Robert A. Caro (New York: Alfred A. Knopf), 1974. Have read no better example of the receipts that good real estate is the product of a creative neurotic and that there is no way that you can build and be a political innocent. A dramatic story of a fascinating and despicable man whose record of public works is unmatched in the history of the world; it is also an excellent lesson in state and local politics for those who value getting things done in the shortest possible time.

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book @  
library



Editors Comment: Will the Power Broker convert our friend, the urban guerrilla, with the game plan of shoot first and ask questions second, into a smooth manipulator relying on finesse? Read future issues and find out.

We have some left over books which are excellent buys as paperback which we will ship out to Alumni post paid for \$14 each with a check made out to University of Wisconsin Real Estate Alumni Association.

NEW CHALLENGES FOR INVESTMENT REAL ESTATE: INTEGRATING THE DISCIPLINES - An anthology by Roulac which has some excellent material on modern money management theory applied to real estate, investment modeling, pension fund investment strategies, etc. Has a high proportion of good articles.

MODERN REAL ESTATE INVESTMENT: AN INSTITUTIONAL APPROACH, is authored by Steve Roulac and was published in 1976 prior to the Tax Reform Act. The first part is a rehash of old Roulac articles but the second half of the book has some excellent material on non-profit fund investment, stock versus real estate comparison, and computational methods.

REAL ESTATE INVESTMENT UNDER THE TAX REFORM ACT OF 1976, is an anthology of material by Roulac for use as course materials and represents a cross section of broad caveats and technical criticisms which immediately followed passage of the tax bill.

REAL ESTATE INVESTMENT ANALYSIS by Robert Ellis and published by Coldwell Banker. This is a super new book on financial analysis for both brokers and investors and we used it as a text in Real Estate Finance 551 this year. It is based on analysis of thousands of commercial properties in southern California and in addition to a general analysis, provides guidelines and statistical studies on office buildings, shopping centers, apartment buildings, and triple net leases.

By the next edition of the newsletter we should be able to announce some Wisconsin publications!

#### Directors' Reports

The Directors' reports begin in the west and move east (certainly anti-American activity). Jay Kramer, director of the mountain region and appraiser with Joseph Farber and Company in Denver writes...

The mountain region of the Real Estate Alumni consists of the following states: Idaho, Wyoming, Utah, Montana and Colorado. I'm sure that John Denver would be greatly pleased to know that all but one of the enrolled Alumni reside in the greater Denver metro area. Fortunately, we have Dan Abbott covering all the other states out of his home base in Nampa, Idaho.

The economic climate of the Denver area is excellent, and as a result, just about every segment of the real estate industry is in high gear. The favorable development climate of 1972 and 1973, combined with the subsequent economic recession of 1974 and 1975 resulted in dramatic excesses of supply in apartments, suburban office space, and industrial properties. This excessive supply has been absorbed in 1976 and 1977 such that at the present, there is substantial demand in all of these areas for new development.

The resurgence of the Denver real estate market is attributed to several factors. First, Denver is gaining prominence as the home base for the regional energy industry. Colorado, Wyoming and Utah have tremendous untapped inventories of oil, coal, and minerals. Since Denver is the largest city in the region, it is the logical location for firms that are expanding their operations into this area. Second, Denver is now attracting new sources of capital which were previously unavailable. Foreign (particularly Canadian) and institutional investors are becoming much more dominant. Third, is the phenomenon called "Broncomania" which, by the way, has subsided dramatically ever since the Bronco's laid an egg in the "Big One."

Leading the way in Denver's growth in the central business district, a total of 12 major projects are scheduled for development in 1978, including two major hotels (Fairmont and Sheraton) and two residential projects, in addition to eight office projects. Of these 12 projects, five are now under construction--Anaconda Tower, The Davis/Cadillac Fairview Building, Energy Center One, Great West Plaza and the Fairmont Hotel.

The largest development venture ever undertaken in Denver has recently been initiated. The Mission Viejo Company, a subsidiary of Phillip Morris, has optioned the 22,000 acre Phipps Ranch which is located on the southern periphery of the Denver suburbs. Planning studies are now in process for the project.

And now for the bad news! The pollution that we've experienced recently (particularly this winter) is pitiful. The cost of residential housing has skyrocketed, ala Southern California. For example, well located, central city residences in good neighborhoods are now selling for approximately \$50+ per square foot. Denver faces a severe shortage of treated water for all types of development. New water taps are being restricted in most suburban areas, and will continue to be until 1981 or 1982 when the controversial Foothills Water Treatment Plant is scheduled to come on line.

Now that you have been brought up to date on the Denver real estate market, let's take a look at the interpersonal relationships of several real estate professionals.

Several weeks ago, Denver was blessed with a personal visit from Paul and Susie Zeller, who now reside in Chicago. Paul's brief stay was highlighted by a notorious "doubles" table tennis match which pitted Mike Komppa and Gordon Mickelson against Paul and myself. After a brief "warm-up period," Paul and I rose to the occasion and totally frustrated our upstart opponents.

Michael Bucholz, director of the southwest region and manager of the Real Estate Regional Office of the Northwestern Mutual Life Insurance Company located in Houston, Texas, writes...

The southwest region includes the states of Arkansas, Arizona, Louisiana, New Mexico, Oklahoma and Texas. This region of the country has been the topic of numerous articles in national publications and is invariably included in the "Sunbelt" category. While the "Sunbelt" usage is perhaps overworked, the association with economic growth is correct. The attraction this region offers as to moderate winter climate versus the blustery winters of the past two years in the northern states is a contributing factor to this growth. However, there are more important, underlying reasons why both industry, headquarters and regional office operations, and people are and will continue to relocate to this region and they include:

- Extensive natural resources including lumber, oil, gas, coal, copper, and other metals.
- Impressive technical, engineering and scientific capability in the industry, major university, and government sectors with the know how to develop not only those resources in the region but also on a world wide basis.
- State and local governments that not only welcome business growth but also are prepared to maintain a realistic balance between the importance of creating new jobs and protecting the environment.
- Generally lower taxes including in many cases no personal or corporate income taxes, in large part due to revenues from national resource taxation and low state budgets for welfare, unemployment and other benefits specifically designed to promote the desire to work.
- Excellent bulk transportation via rail and water.
- Formidable agricultural capabilities such that increased demand will trigger capital intensive expansion to dramatically increase output.

The most accelerated growth economics are in Texas, Louisiana and Oklahoma where oil and gas production has replaced cotton as the economic keystone. Booming aptly describes the real estate markets in the Houston and Dallas-Ft. Worth metro areas but the long dormant New Orleans economy is working up and Tulsa and Oklahoma City have been steady growth cities for years. Tim Knittle in Phoenix reports that housing starts are up to 1973 levels, neighborhood shopping centers are strong and more are being developed, and that the oversupply of office space is gradually being absorbed.

None of these attributes have escaped the attention of sophisticated (and not so sophisticated) real estate investors. Bill Bradford reports that in Dallas it is impossible to acquire a warehouse, leased or not, to yield more than 8½ to 9% cash on cash because occupancy is 96% and even known inventory coming on line has not dulled investor demand.

Similarly, first class office buildings in Houston are actually selling to the oft discussed, seemingly mythical foreign investors (generally German) at prices reflecting overall cap rates of 7½ to 8½% and cash on cash yields of 5 to 7%. One such sale involved a \$42 million price tag and another (the Pennzoil Building) aggregated \$90 million. These transactions occurring in the Houston market are noteworthy because while office absorption has been averaging roughly 3.3 million sq.ft./year since 1970 and reached

about 5.0 million in 1977, there are at least fifty new office buildings completed, announced or under construction totaling 3 million sq. ft. in the CBD and over 5 million sq. ft. spec building was fully absorbed when Bechtel Corp. decided to lease the entire structure for their petrochemical engineering division.

Dallas, which has historically been a more conservative but steady growth city, now has not one but three \$100 million office, retail, hotel complexes under construction downtown, a new regional mall under construction and not on a freeway, and the tightest apartment market in years. Not all of the real estate markets are growing this fast but it would be difficult to name more than one or two cities of over 100,000 population in this region where new construction is not the norm.

A final comment on what can happen in a hot market again relates to Houston. In 1977, over 22,000 new garden apartments units were constructed even though certain areas of the city were clearly reaching an over-supply status. These units in many instances are being built for ultimate conversion to condominiums even though a good many are flats. Conversion of existing units during 1977 totaled roughly 5,000, but it is projected that in 1978 an additional 10,000 units will be converted. The incredible feature of the conversion market is that many of the units being converted are of questionable construction quality but given a good location, a catchy name and a limited amount of cosmetic, exterior and interior fix-up, are selling for \$40 to \$50 per square foot. Few if any dollars are being invested in basic mechanical, plumbing or electrical upgrading and if these systems begin failing there will be a rude awakening for the unsuspecting individuals who purchased units expecting to enjoy the benefits of ownership for just a few dollars more per month than rental payments. Given a few major breakdowns and resultant dramatic increases in monthly maintenance charges to owners, this market will either vanish or be available only to the developer who can warrant as to quality with financial credibility for major repairs to back up the commitment.

#### Graduate Activity

Bill Bradford, formerly Northwestern Mutual Life's regional mortgage loan office in Dallas, Texas joined Murray Investment Company also in Dallas. Bill is primarily involved in generating quality mortgage loans for Murray's many lenders. Phil Capron has been with Murray for several years.

Jim Magnanenzi transferred to Northwestern Mutual's Houston regional real estate office in November from NML's Home Office in Milwaukee. Jim will focus on production of new equity investments as well as riding herd on existing investments ranging from raw land development and sale to overseeing \$30 million already invested in apartment and office buildings in New Orleans.

Tim Warner left MGIC in Milwaukee in the fall of 1977 to join Real Estate Valuations and Consultants, Inc. in Houston.

Jeffrey Davis, director of the central region and member of the Real Estate Finance Division of Baird & Warner, Inc. writes...

The central region includes the states of Illinois, Indiana, Michigan, Ohio and Kentucky. An enormously successful real estate project are six and eight flats developed as a conventional multi-family PUD apartment complex, and then sold to individual investors.

Over the past few years the six/eight flat concept began to be correlated into the highly desirable, PUD multi-family apartment project. With this concept, a builder/developer constructs individual six/eight flat apartment buildings in apartment projects that have from 200 to an excess of 500 to a 1000 units. Individual buildings with from 24 to 32 units are subdivided through party wall agreements and then sold. To insure an attractive exterior, all outside maintenance usually is done by a management company under a home owners association agreement. Expenses associated with the operations of an apartment building, including maintenance and management, are typically the responsibility of each individual owner. This type of concept has enabled the builder/developer to reap the proper rewards associated with the development of a major multi-family PUD apartment project.

The appeal of ownership in a major PUD multi-family apartment project is very desirable in all respects for either a Ma and Pa live-in investor; and/or a passive investor. From a pure real estate approach, this type of investment reaches levels of return that are not attained in other types of property. The following list incorporates some highly desirable features that are only found in six/eight flat projects:

1. The ability for an investor to purchase new residential construction rather than used residential property for a comparable price.
2. A cash on cash return, before taxes of anywhere from 8% to in excess of 20%.
3. The benefits of accelerated depreciation only received by residential property.
4. The management of a home owners association eliminates the burdensome chores consistent with exterior maintenance such as grass cutting, snow shoveling, etc.

As a pure investment alternative strategy, the six/eight flat project has many highly desirable features. While the stock market has declined over the past few years to such a position that in fact many people have lost money, the real estate market has been in a steady up-trend as of late. Combine this to the fact the C.D.'s only yield 7½% over a six year term, one can see the reasons why the six/eight flat concept has reached such levels of appeal from an investment community hungry for quality investments.

The appeal of the six/eight flat project has been transcended into a real demand for various projects under development in the Chicago Metropolitan Area.

Alumni activities in our region has been extremely hectic. In fact, I am surprised with the interest of the Alumni in this area. Numerous after-hour drinking get-togethers have been arranged, and it has proved to be quite successful. Last month, Alex Anagnost and Fred Alban arranged a cocktail party in Alex's apartment after work. Unfortunatley, they forgot to invite any girls. In addition, in the late spring, we will have our first organized meeting with a speaker to be named later in a dinner type format. Hopefully, activities during the summer with Cub and White Sox baseball games.

Job Tranfers -- There have been three recent job transfers in the Chicago Metropolitan Area. Stephen Elpern recently moved from Prudential Life to Romanek-Golub and Company as an investment analyst in their investment brokerage activities. Romanek-Golub is involved in major income properties throughout the United States.

Michael Todd recently moved from the First National Bank of Chicago to Inland Steel Development Company to manage their real estate portfolio. Inland Steel Development Company is a subsidiary of the Inland Steel Corporation.

Donald Jeziorski recently moved from Metropolitan Life to Coldwell Banker Company to take a position in their Real Estate Finance Division.

Mark Smith, a December graduate of the program, has accepted a position with Baird & Warner, Inc. as an assistant to the president. In this capacity, Mark will be involved with inter-company operations, appraisal and feasibility studies, and involvement with the Baird & Warner Mortgage and Realty Investors Trust.

I would like to announce my forthcoming marriage to Linda Field of Chicago, and we plan to be married on July 2, 1978. (You may remember her father, Marshall)

Job Opportunities in the Chicago Region -- There are a host of job opportunities throughout the Chicago Region. The outlook is good, and numerous companies are expanding, though I have a handle on only a few specifics. Should anyone want any further information on potential leaks, a call to me or one of the Chicago grads is in order. I am certain that a canvas of the Chicagoland real estate scene could produce the type of employment satisfying any graduate's needs.

Job opportunities currently available to my knowledge are as follows:

- A) Position with Baird & Warner, Inc. as an office leasing broker. Contact Mr. George Yonan -- (312) 368-1855
- B) Position with Mutual of New York Life Insurance Company as a real estate investment analyst of mortgage and equity institutional investments. Contact Mr. Walter Korinke -- (312) 236-7884
- C) Position with Metropolitan Life. Contact Mr. Bill Ripberger -- (312) 887-0600

- D) Position with Baird & Warner, Inc. in the Real Estate Finance Division. This position is part of a team concept that would enable a graduate to be involved with major commercial industrial mortgage banking facilities and accelerate its growth at a rate usually not attainable. Contact Mr. Larry Cleland -- (312) 368-5775.

Director of the east region, Joseph Pasquarella, writes...

The east region includes Maine, New York, Massachusetts, New Jersey, Virginia, Pennsylvania, New Hampshire, Vermont, Rhode Island, Maryland and D.C. Philadelphia, as a region in the industrial northeastern United States, need special medicine to stay alive and to regain its strength while fighting off the blood-draining population shift to the growing Sunbelt in the southeast and southwest sections of the country. Notwithstanding, the core of the region should continue to be revitalized commercially. In the central business district, urban shopping malls will flourish, office towers will continue to be developed and conversion of industrial loft buildings to contemporary multi-family housing will continue to reach new levels.

The newest major project, The Gallery, illustrates the vitality of the City's core. Some 200,000 Philadelphians packed the new Gimbel's-Gallery-Strawbridge's shopping complex at 9th and Market Streets on opening day. The log-jam crowd indicated that 1977, for the first time in 20 years, excitement in Philadelphia area retailing was happening in center city rather than in the suburbs. The 125-store Gallery, developed by the Rouse Company, was the country's first attempt to bring a suburban mall to an urban downtown location. The mall connects the recently refurbished original Strawbridge & Clothier multi-story department store and Gimbels, the first new department store built in the heart of an eastern U.S. city in 50 years.

There were many skeptics who believed that center city was not economically viable to support a commercial development of this scale. The crowds that have continued to pour into the \$100 million mall may be the first indication that might prove the skeptics wrong. A red-hot annualized pace of \$250 per square foot was maintained throughout the fall and winter.

Proponents of the mall believe that Americans are "frustrated urbanites" who are eager to find exciting things to do in the city. The Gallery provides this excitement with its great mass of merchandise, its 25 international and gourmet food stands and its charming corridors and courtyards which provide opportunities for strolling and people-watching. They note that 55,000 people each day get on and off public transportation (subways and buses) at the Gallery, providing a captive audience. Restaurants and shops are open six nights a week, making the Gallery a natural place to go for an evening out on the town. Many of the estimated 50,000 persons that work in center city welcome the chance to rub elbows at the Gallery after office hours.

This sudden explosion of activity has evoked interest in other areas of Philadelphia's C.B.D. The Rouse Company has taken an option on the Historic Reading Terminal (commuter train terminal), three blocks west of the Gallery. Their intention is to redevelop this mammoth building if a suitable use can be found.

J. C. Penney Company is reportedly exploring the possibility of building a new store between the Reading Terminal and the Gallery and is negotiating with the Rouse Company in an attempt to form a team to develop the north side of the block.

In conclusion, the revival of the central business district in Philadelphia is not a temporary fad. Instead, it is an expression of an interplay between people's tastes and desires on the one hand, and the restraints imposed by our environment on the other. This slow and steady process is the fruit of diligent renewal plans envisioned as early as 1955. The downtown district is growing not only because the city is a place of vitality, exuberance and excitement, offering an alternative to passive suburban living, but also because the financial constraints associated with the ever-increasing costs of energy compress the range of consumer mobility.

On February 23, 1978 Jim Graaskamp addressed the SREA Philadelphia Chapter. Jim talked about Contemporary Appraisal Theory.

A major Philadelphia brokerage firm is looking for one appraisal trainee. Contact Joe Pasquarella -- (215) 677-2216.

Richard Shima was promoted to Assistant Vice President--Real Estate Advisory Department, Morgan Guaranty & Trust, New York, New York. Also, Richard and Janice announced the birth of twin boys -- Paul and Stephen on October 6, 1977.

#### Financial Notes

Two student aid grants for \$500 each, one undergraduate and the other graduate, were received from Alfred H. Behrens, the general manager of Vorelco, Inc., which is the real estate arm of Volkswagen in North America. The student aid grants were also sponsored by the National Association of Corporate Real Estate Executives of Miami, Florida, of which Mr. Behrens is a director.

James D. Vernor passed his final Ph.D. exam and may now be addressed as Dr. unless graduate office wins debate on how small a xerox copy can be reduced before causing micro film copies to be fuzzy. Thesis topic was a simulation of an Atlanta FSL under impact of variable rate mortgages if these instruments had been available 1960-75.



# UNIVERSITY of WISCONSIN Real Estate Alumni Association

6402 Odana Road

Madison, Wisconsin 53719

July 1978  
Volume 2 Number 2

## EDITOR'S NOTE

This issue introduces two new regular features of the Newsletter (as this is the third issue, that is not very difficult). The first is Spotlight on the Professor. In this issue we have a short profile of James Canestaro AIA. The second new feature is Grads on the Move which is an attempt to keep you informed of the activities of your fellow Alumni. Also included is an article by outgoing Chariman of the Real Estate Alumni Association, Don Evans, incoming Chairman, Steve Elpern, and a letter from the Chief.

It is the time of year to solicit Real Estate Alumni Association dues. Shortly you will hear from Jeff Davis on the dues for Alumni and the fund raising campaign among employers.

Enclosed with the Newsletter is a new departmental brochure designed with the aid of Jim Curtis and Jeff Davis for distribution by the Alumni to possible recruits. Three copies are enclosed so you can retain one for your use and note that each has space for your name, address and telephone number so the recruit can find you also. If you need more just write Pam.

If you want to contribute to the Newsletter -- articles, job opportunities, moves or advancements, send them to:

Michael A. Rooney  
8222 Jackson Park Boulevard  
Wauwatosa, Wisconsin 53213

# UNIVERSITY of WISCONSIN Real Estate Alumni Association

School of Business  
1155 Observatory Drive

Madison, Wisconsin 53719

July 12, 1978

## Letter from the Chief

Aside from the trauma of final projects and exams, the major excitement of the spring semester was the placement success of our graduate students for both full time employment and summer internships. The all star line-up looks like this:

Wayne Batavia, Coopers and Lybrand, San Francisco (a transfer from McMahan and Associates)  
William Hafner, Assistant Professor of Real Estate at the University of Michigan, Ann Arbor  
Mark Heindel, Northwestern Mutual Life Mortgage Loans in Milwaukee  
Brian Lee, Northwestern Mutual Life, Property Management Division (a transfer from First Wisconsin Mortgage Company)  
Kim Peterson, Coopers and Lybrand, Real Estate Consulting Division, Detroit, Michigan  
Rod Price, Arthur Anderson and Co., Houston, Texas, Real Estate Division  
William Seno, Livesey Enterprises, Madison (shopping center developer)  
Tom Smith, Johnson Wax, Corporate Real Estate Department, Racine, Wis.  
Robert Sweeney, Baird and Warner, Commercial Mortgages, Chicago, Ill.  
Robert Terry, Livesey Enterprises, Madison  
Kirk Von Meeteren, Heitman Mortgage Company, Chicago, Illinois

Ken Livadas, your alumni organization administrator, has joined Prudential Life Insurance Company in Santa Monica, California. His role of administrator has been ably filled by PAM OLEINIK who will be handling all the details like this newsletter and collection of dues. To contact PAM write c/o School of Business or call (608)-257-1687. Pam is benefiting from Alumni dues and possible work study.

The summer internship program was super strong as can be seen from the following score board:

Verna Causby, Northwestern Mutual, Oakland, California  
Dan Cramer, John Nabors, a developer in Anchorage, Alaska  
Jean Davis, Wisconsin Housing Finance Authority, Madison  
Allen Hill, John Nabors, a developer in Anchorage, Alaska  
Vicki Mobray, Northwestern Mutual, Chicago, Illinois  
Ronald Pentz, Honeywell Corp., Minneapolis, Minn.  
Milo Pinkerton, British Postman's Super Annuation Fund, London, England and Paris, France!  
Ed Suharski, Schmitt and Sons Appraisers, Chicago, Illinois  
Bryant Wangard, Rauenhorst Inc., Minneapolis, Minn.

In addition, Dan Schneider and Ed Suharski were given a tuition free course II of the RESSI in Chicago through the efforts of Harris Lawless in San Francisco. Alumni are encouraged to contact any of the above students in their area. This strong crew will be back in the fall and enrollments of new students from throughout the country are strong. Should be a good fall.

Jim DeLisle has completed his exams and will join the faculty at Florida State University in December as an assistant professor of Real Estate.

Terry Grissom and Fraser Gurd are the Ph.D. students in residence who will be handling 550 quiz sections while Mike Robbins will take the quiz sections in Real Estate Finance to further expand his versatility for the future. The summer is expected to produce a torrent of dissertations, articles, and other long overdue monographs. The only cloud on the horizon was the decision by Dean Robert Bock to cut salaries in the School of Business Computer Center so that Bob Knitter is less than full time. Bob and Dorothy Komesar are both disillusioned by administrative perceptions of our computer resources.

#### Placement opportunities

A major farm services firm is looking for an agricultural appraiser to be based in Aurora, Illinois starting at \$18,000 to \$25,000. Contact Chief.

A job in Real Estate acquisitions for a major comingled fund at \$30,000-\$40,000 seeks one of our graduates. Contact:

Allendar F. Hogland  
The RREEF Corporation  
650 California  
San Francisco, California 94108  
(415) 781-3300

The Gerald Hines, Inc., residential development unit is looking for a couple of assistant project managers, green or with experience. Contact:

Charles Holbrook, President  
GreenMark Incorp.  
2600 South Gessner  
Suite 540  
Houston, Texas 77063  
(713) 780-1130

(Charles Holbrook has replaced the former president, alumni Don Mackie, who elected to set up his own development company in northern Texas with his wife.)

Large S. Florida Real Estate development corporation needs Financial Analyst, job description includes acquisition analysis, analysis of capital expenditure requirements, budget analysis and strategic planning. MBA in finance or MS in Real Estate, with 1-2 years experience. The salary is \$23,000 to \$28,000.

Contact: Steve Mortenson  
Ott, Hirtner and Assoc. (head hunters)  
1401 Brickell Avenue  
Suite 603  
Miami, Florida 33131

The University of Michigan extension service is seeking a director for it's statewide real estate program. The salary is \$20,000 - \$25,000 plus benefits. Send letter of application and resume by June 20, 1978 to:

Richard L. Desmond  
Assistant Director  
Extension Service  
c/o 1020 LSA Building  
University of Michigan  
Ann Arbor, Michigan 48109

Director of Acquisitions -- Pacific Plan, a Menlo Park based national syndicator, is the largest California syndicator. Experience requirement is a minimum of five to seven years.

L. H. International Development Company in Alameda is seeking qualified people to fill positions in their neighborhood shopping center development division. Contact:

Thomas McMullan  
Vice President  
Landsing Associates  
431 Burgess Drive  
Menlo Park, California 94025

Associate Director -- Real Estate. An established, growing midwest company is looking for an aggressive self starter to join its real estate department. Background in lease negotiation is essential, with market feasibility studies and site selection desirable for franchised and company owned retail locations. Reply in writing and in confidence to:

Michael A. Rooney  
8222 Jackson Park Boulevard  
Wauwatosa Wisconsin 53213

### Spotlight on the Professor

James Canestaro AIA

Age: 33

Education: Bachelor of Architecture  
University of Notre Dame, June 1969

Master of Architecture  
University of Illinois, August 1971

Master of Urban Planning  
University of Illinois, August 1973

Currently enrolled in the doctoral program at  
the University of Wisconsin

Experience: Teaching American Institute of Architects seminars.  
Visiting instructor and teaching assistant at the  
University of Illinois, instructor for the Real  
Estate Education Corporation, Chicago, Illinois,  
consulting and architectural design for a number of  
architectural firms, U.S. Army Corps of Engineers  
and the Republic of Ireland.

Family: Married with one son

Hobbies: Workaholic, photography and racketball

Courseload: Jim is the utility infielder of the Real Estate Program. He has taught many of the courses and handles 50% of the undergraduate load and 20% of the total Real Estate Program.

Most Memorable Book: The Man Called Intrepid

Latest Accomplishments: Publishing one of the program's text books, Real Estate Financial Feasibility Analysis Handbook.  
Each year Jim runs a class jointly with the Institute for Environmental Studies which holds a mock trial environmental impact hearing on a Door County recreational development. This year the course won recognition from Madison television, newspapers and University administration.

Opinion on the Most Needed Contribution by the Alumni to the Real Estate Program: Development of a summer internship program for the real estate students.

Quote: "Time has come for the real estate department to develop its identity."

Profile: Intense, concerned, intelligent, exciting were words expressed by his colleagues, students and grads. Jim gives the program 150% all the time.

#### Grads on the Move

Steve Chan, M.B.A. (R.E.), 1973, has left Security Pacific and is now working for Ed Greub, who is in charge of all real estate for Crocker National Bank in San Francisco.

Leo Dolan, degree received 1973, has taken a position as Investment Manager with the First Wisconsin National Bank in Atlanta.

Kevin Hanson, M.S., 1973, has left the Irvine Company and is now project manager with Emkey Development Company in Newport Beach, California.

Lynn Lee, M.S., 1967, has been named Vice President of Real Estate Loan Division, First Bank-Midland, Milwaukee.

Jim Muir, M.B.A. (R.E.), 1969, has been named Project Manager for the Moss Creek Plantation P.U.D. in Hilton Head Island, South Carolina.

Joseph Pasquarella, M.S., 1973, Eastern Director of the Alumni Association, recently received his M.A.I. designation from the American Institute of Real Estate Appraisers and his S.R.P.A. from the Society of Real Estate Appraisers.

John Poole, M.B.A. (R.E.), 1965, M.A.I. and independent fee appraiser, has been named a trustee for the Philadelphia Mortgage Trust. John and his wife Mary Ann live in Marietta, Georgia.

Jim Vernor, Ph.D., 1977, is on the Georgia State University faculty and has just successfully defended his Ph.D. dissertation.

# UNIVERSITY of WISCONSIN Real Estate Alumni Association

6402 Odana Road

Madison, Wisconsin 53719

August 15, 1978

Dear Fellow Alum:

Any discussion of dues and finance brings mixed emotions. Many of us enjoy a great feeling of self satisfaction and pride in our association with the University of Wisconsin Real Estate Program and recognize some degree of responsibility for improving the momentum of the program and the recruiting of future candidates, who will further enhance the program image.

The Board of Directors believes there should be no set dues amount. They would like to continue the minimum dues at the 1977 \$10 level (tax deductible with a receipt received from the University of Wisconsin Foundation). Last year many of you sent \$25 and the program can use the extra help. But there is no intent to discourage participation with whatever you can afford at this stage of your career. For those of you who just joined the association in '78, consider yourself paid up 'til next year.

About \$5 of your contribution supports the mailing costs and newsletter charges as well as tuition for the alumni organization administrator. All other funds are used for scholarships for students, for work study research hourly jobs, and for help with other expenses such as terminals and the printing of the program brochure which you recently received.


There is a multiplier effect from your dues contribution in several ways. For work study jobs for real estate majors, the federal government will subsidize 80% of the hourly wages for these programs. Thus, \$100 of alumni funds can create \$500 of student aid. If Alumni scholarships are tied to Counselor Scholarships, it is possible to waive non-resident tuition for summer school. If your employer has a matching grant program, as described in the enclosed brochure, then each dollar of your money will bring another dollar to real estate students at Wisconsin. Five alums at one insurance company who provide a \$25 contribution each can produce a \$250 scholarship for one student; if you indicate that as your wish on the dues card, the Chief will give the scholarship in the name of the company providing the matching grant. IF THE REAL ESTATE PROGRAM HELPED YOU WITH YOUR CAREER, HELP KEEP THE PROGRAM GOING. SEND YOUR DUES TODAY!

Another difference in this years fund raising drive is the Wisconsin Real Estate Alumni's Club willingness to accept gifts from our employers. This approach is utilized at other major business schools throughout the country and the Board of Directors feels it is an approach we must capitalize on at Wisconsin.

The attached letter and one of the enclosed brochures should be personally delivered to your employer, or whomever is in charge of your office. A personal message on this letter could only assist with the drive along with the personal touch only you, as a alum, can bring.

Thank you in advance for your help with the 1978 University of Wisconsin Real Estate Alumni fund raising drive. A dues card and envelope are enclosed and a speedy response means the alumni can provide financial assistance for those who need it for the fall semester about to begin August 28, 1978.

Regards,



Jeff Davis  
Chairman, 1978 Fund Raising Drive

Make checks payable to: University of Wisconsin Foundation  
Real Estate Alumni Fund  
Room 118 School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706



# University of Wisconsin Real Estate Alumni Association NEWSLETTER

February 1979

Volume 3, Number 1

## Editor's Note

If on schedule, this issue of the newsletter should have been published in November. However, the crush of business and a good case of procrastination delayed the effort. No level of "encouragement" from my wife and less than subtle urgings from the Chief could generate enough momentum to overcome the inertia of procrastination. That is, until I received a phone call from Jeff Rouse. Jeff inquired whether his name had been dropped from the Alumni list. He thought he had not received the last newsletter. When I asked what newsletter he had last received, Jeff told me the July 1978 issue which was in fact the last newsletter published. Then it dawned on me that you do read the newsletter; that it does meet a need. Quickly I got my lower extremity in gear. If you want a better motivated editor, please write or call! Tell me of promotions, new companies, Alumni activities, placement opportunities, professional designations or anything else we can do to improve the newsletter. Send your comments to Mike Rooney; 8222 Jackson Park Boulevard; Wauwatosa, Wisconsin 53213.

Speaking of procrastination, in August we made an appeal for financial contributions to the program. The Alumni Association asked for \$10.00 -- or more if you could afford more. The average contribution is about \$25.00. Because this money is used for student scholarships, work study research jobs and assistance with expenses with terminals, the newsletter and the brochure describing the program, your contribution improves the real estate program. To date only 50 percent of the Alumni have donated. If this August appeal slipped your mind, today please send a check made payable to the University of Wisconsin Foundation to Dr. James Graaskamp; 202-A Breese Terrace; Madison, Wisconsin 53705. Remember, it's tax deductible!

This issue introduces another feature in the newsletter -- Spotlight on the Grad. This feature provides you with details of other grads' career paths, gives ideas for your own career and provides business opportunities.

## Notes From the Chief

The second semester of the Real Estate program will begin in a week in much better shape than a year ago when the Business School mismanaged the introduction of a new computer system. That system,

called WITTS, is performing reasonably well and the School of Business has 20 terminals plus two in the Real Estate Department. Students are learning to use the interactive timeshare system in a variety of courses and think nothing of handing-in computer plotted histograms, regression lines, cash flow projections, and so on. The bugs have been worked out of MR CAP as a program and the real problems now are finding efficient and effective teaching techniques to introduce the student gradually to the concepts and features in that program over a span of three or four courses. However, the big news is the improved grantsmanship which the department is beginning to exercise.

First we received additional instruction funds so that Mike Robbins can work on his dissertation exclusively during the spring semester while continuing to receive his salary; similarly Jim Canesaro has been excused from one course so that he can push his book Financial Feasibility Cookbook to a publication date as well as advance his dissertation. These funds came from Dean Bock's budget. We have also received an \$11,000 grant from the American Institute of Real Estate Appraisers to purchase a Radio Shack TS-80, a mini computer with 32K capacity, CRT display, hard copy output, four diskettes, and a variety of software programs including word processing. It also includes a coupler which will permit harnessing it to other input-output devices. We are to adapt EDUCARE programs and our tax assessment programs to the system. The system costs less than \$5000 and has all the capacity of the old 1410! A real problem today is finding good programmers who understand real estate like Mike Robbins and Kim Peterson.

The new Radio Shack diskettes will permit better maintenance of the alumni mailing list and a better format for printing up an alumni roster to include full details on employment, etc. Right now it is very expensive and difficult to obtain changes to the alumni list from MACC and the University 1110 computer.

The University announced that Prof. Graaskamp would be eligible for a sabbatical in the spring semester of 1980, but the University failed to report that funding was conditional on the department and at the moment the School of Business doesn't know what it will use for money. It's the thought that counts, but like the fellow who was tarred and feathered, if it wasn't for the honor of the thing, he would have preferred to leave town on his own.

A research proposal has been submitted to HUD. We have been working actively with the Urban Land Institute as a research fellow and ULI will be announcing a program for funding graduate students at several selected schools at their May meeting. We have also joined the International Council of Shopping Centers to improve the University of Wisconsin presence relative to employment opportunities in that area. ULI gave the Wisconsin program favorable print in Urban Trends, and Jim Curtis secured a few lines in the October issue of Buildings. Mike Robbins and the Chief have invaded New York City with a series of seminars for the Chemical Bank.

Speaking of employment, we had a limited number of graduates at the end of December but the job market seems to be active. Dan Cramer returned to his summer internship employer, Parkwood Development Company in Anchorage, Alaska. Ron Pentz will join Prudential Insurance Company in Minneapolis; Doug Heston will join forces with another

alumnus, Kip Erzinger, to develop investment properties in Wisconsin; Doug will also form a partnership with Pam Oleinik an MS classmate, when they are married in the spring! Just like our brochure says we offer fame, fortune, and romance. Pam is looking for a real estate opportunity in the Milwaukee area. Milo Pinkerton returned from a summer internship in England and France with the real estate arm of the British Postman's Superannuation Fund in time to receive his degree, to return to architectural school at the University of Minnesota, and to save money for another trip to Europe. Sunny Tong is interviewing in Los Angeles where there are a number of opportunities and Cindy Sirotkin is interviewing in Chicago and Minneapolis.

Starting salaries for the MS greenhorn are in the neighborhood of \$19,000 but at least four of our 1978 stars were in the \$22,000-24,000 range! BBA graduates are receiving \$11,000-13,000 while our Construction Administration people receive \$12,000-16,000.

We will gain more students in February than we lost in December so that the MS program will have between 57-60 in action this spring. A good number of interviews are set up for the larger spring graduation class.

Enrollment in the Ph.D. program is attracting highly qualified people including Lee Shilton, formerly director of housing production for the Wisconsin Housing Finance Authority, Ed Flynn, a Milwaukee real estate attorney; and Adena Spohn Moore plus some others to be announced later for the fall semester. The faculty are already looking forward to the second alumni reunion in September when the alumni will have a chance to try out the WITTS programs, our Radio Shack special, and seminars by alumni for the benefit of their instructors.

### Second Reunion

Speaking of the second alumni reunion, guess what's happening September 14, 15, and 16, 1979. Yes, it's the Second Bi-Annual U.W. Real Estate Alumni Association Seminar. Our 1977 meeting was a great success and we want to draw on you to make this year's event even better. We are in the planning stages now and welcome suggestions.

The following areas of interest were suggested as seminar topics. We would appreciate any additions you might like to make.

- Energy Conservation in Property Management
- The Impact of Foreign Investors in the Real Estate Market
- Aspects of Joint Ventures
- Income Tax and Real Estate
- The Art of Negotiation
- Estate Planning
- Solar Alternatives in Building Design
- Popular Investments for the 1980's
- How to be Your Own Boss--Getting Out on Your Own  
(Development, Consulting, Appraisal, etc.)
- An Economist on "Now What?" (Market Trends)
- Hotels
- Shopping Centers (ICSC)
- Rehabs Renovations
- Educare on Radio Shack TS-80

It's time to line up speakers. If you are aware of an expert in one of these areas, please refer their name to us. We would also like to

draw on our own rank and file for speakers. So, volunteer yourself - or a friend or foe. Send the suggestions to: Mary P. Buczynski; Northwestern Mutual Life Insurance Company; 720 East Wisconsin Avenue; Milwaukee, Wisconsin 53202.

#### Notes from Alumni President, Steve Elpern

As you all know by now I have been elected chairman of the Real Estate Alumni Association. It will be my task to build on the foundation so ably started by Dr. Graaskamp, Don Evans and others. I would like to take a moment to thank the original chairman, Don Evans, on behalf of all alumni, for his monumental efforts in helping to create our organization and in seeing it through its first 18 months. Don, we appreciate your work and hope we will be able to continue with the spirit and determination you've demonstrated.

We share a common ground in graduating from the finest real estate program in the nation. Accomplishing that considerable feat gives us an exceptional benefit - membership in the only organized real estate alumni association in the country. This membership puts us in the company of 375 real estate professionals. But to take advantage of this membership it is necessary to communicate.

This newsletter is designed to be our primary means of communication. Through it we hope to inform you not only about the latest thinking in Madison, but also about our members. We represent buyers, sellers, brokers, developers, managers, owners, leasers, lenders and appraisers, and we hope that you will communicate through the newsletter to facilitate your own real estate business.

We are also planning to publish, as soon as possible, an updated directory that will include company name, address and phone number, as well as home address and phone number.

I encourage you to use the association. If there is something we can do to help you, please let me know: Steve Elpern; Romanek-Golub and Company; 625 North Michigan Avenue; Chicago, Illinois 60611; phone 312-440-8716.

#### Alumni Activities

On a cool, wet Sunday in August, 12 U.W. alumni, who are now employed in the Twin Cities Area of Minnesota, gathered for their first annual picnic. Alumni, family, and friends were invited to the shores of Lake Harriet in Minneapolis for friendship, good food, and the Wisconsin tradition -- a barrel of beer. Those alumni attending included: David Ames, Bob Brazee, Dave Brierton, Frank Dunbar, Pete Hitch, Dick Lincoln, Dianne Orbison, Doug Reed, Jack Safar, Meredith Stephens, Larry Stephenson, and Pete West. Most alumni agreed that another picnic should be held in the Summer of 1979. A dinner or cross country ski excursion has been discussed as a possible gathering this Winter.

The grads living in the Milwaukee area meet every first Tuesday of the month at John Ernst Cafe; 600 East Ogden Avenue; Milwaukee, at 5 P.M. for cocktails and conversation. If you are in the area on that day, join us.

The Chicago grads had their biannual dinner meeting in December. The Chicago group reported a good turnout to hear guest speaker Eugene Golub, President of Romanek-Golub.

## Placement Opportunities

For alumni seeking appraisal or real estate analysis and development opportunities, you may wish to contact Norman Parker, a headhunter specializing in real estate appraisal and investment placement. Mr. Parker has contacted Dr. Graaskamp several times with interesting opportunities for those out of school three or four years. Contact Norman Parker; Anderson, Johnston & Roberts; 500 Newport Beach Drive, Suite 550; Newport Beach, California 92660; phone 714-644-9040.

Another headhunting firm specializing in real estate placement is Specialty Executive Firm located at S.C.I.; 1300 Fulton; Pittsburgh, Pennsylvania 15232; phone 412-232-0500. Presently they seek two candidates to fill two different real estate related jobs. One is a property management position for a life insurance company in Hartford, Connecticut. The responsibility is twelve to fifteen properties in a portfolio including shopping centers and office buildings. They are looking for someone with two to six years of experience and a salary range of \$18,000 to \$30,000. If you are interested in more details, contact Paul Lewis of Specialty Executive Firm.

The second opportunity is representing a mortgage banking company in Minneapolis. This company is reported to have a proven track record, an arm of a major U.S. bank and with an existing backlog in Minneapolis. They are looking for someone with experience, abilities in obtaining business, and packaging mortgage loans. Starting salary is in the \$30,000 range with many contingencies, multipliers and promises of support, etc. If you are interested in more information, contact Richard Zirkle of Specialty Executive Firm.

Job opportunity for an experienced income property mortgage loan underwriter. Contact John Harvey, Vice President; U.S. Life; Real Estate Services Corporation; 125 Maiden Lane; New York, New York; phone 212-425-8010.

## Spotlight on the Professor

Craig Ellison Stanley

Age:	37
Education:	Bachelor of Science, Forest & Wildlife Management University of Montana, 1965 Master of Science, Economics Claremont Graduate School, September 1972 Ph.D., Economics Claremont, Graduate School, January 1974
Experience:	Lecturer in Economics, California State University, Fullerton; Economic and Financial Analyst, General Dynamics Corp. and Boeing Co.
Family:	Married, no children
Hobbies:	Photography, travel, camping, racketball, backpacking, hiking, running, basketball
Special Interest:	Craig and his wife spend summers on Whidbey Island in Puget Sound where they recently built a house. From the island they view the Olympic and Cascade Mountains.
Courseload:	Craig teaches Urban Economics, Urban Development, Urban Economics--Public Sector, and the graduate section in Real Estate Process.

Latest Accomplishment: Completion of "The Impact of Prison Proximity on Property Values in Green Bay and Waupun, Wisconsin" which was commissioned by the State of Wisconsin Division of Corrections and Bureau of Facilities Management.

Opinion on the Most Needed Contribution by the Alumni to the Real Estate Program:

Craig suggests the alumni set up a program to work with the faculty in determining alumni needs and requesting packages and/or programs of instruction which the faculty can provide. Possibly this may take the form of an alumni conference in Lowell Hall where UW professors and those related to the field can address the group.

Quote:

"The Alumni should do more for the Alumni. They know their weaknesses and areas of interest."

Opinion on Students:

Craig feels that our students are far superior to the run-of-the-mill developers, but the students are weak in management skills. Perhaps this knowledge cannot be taught but comes through experience in working. He feels there are certain skills students must learn by working in an organization and applying their knowledge toward the necessary partnership with the public sector. In Craig's opinion, the more recent graduates are more sensitive to the relationship between real estate and public interest.

### Spotlight on the Grads

This issue inaugurates a feature highlighting the careers of two University of Wisconsin graduates. This feature provides you with the details of other grads' career paths, gives ideas for your own career and provides business opportunities. In this issue we highlight Bill Ibach and H. Rial Chaplin, Jr.

Bill Ibach ('74) is one of the more unique graduates of the program in that he is a registered architect and is combining his technical expertise and experience with his real estate education and experience. Bill went to work for the Northwestern Mutual Life Insurance Company as a Real Estate Investment Analyst upon graduation in the property management area. It wasn't long until his employer began using him to solve, and counsel in, the more technical problems that beset real estate, in addition to purely financial assignments. The additional realization that energy management is now critical to a successful real estate equity portfolio and that the owner has to take positive steps in this regard led to Bill's recent promotion to Investment Officer-Energy Conservation, a permanent full-time position, the like of which is becoming more commonplace with large real estate holders.

Bill reports that his national exposure to changing technology is benefiting NML's entire portfolio and that definite progress is being made in reducing utility costs. He acts more or less as a catalyst with the property management firms and defining courses of action for each individual property. One of the big lessons to be learned so far is that technical changes and expenditure decisions cannot be made apart from considerations of lease terms and investment strategy,

especially for office buildings, shopping centers and apartment buildings. We hope to have Bill participate in some sort of presentation at our next Fall bi-annual get-together. I'm sure he'll be able to share with us his experiences which we normally would not encounter in typical real estate occupations.

H. Rial Chaplin, Jr. has been involved in Chicago area real estate for the six years since he left the Graduate Real Estate Program at Madison. He is presently a partner in the firm of Harris Webber, Ltd., which was formed in 1977. The firm has been primarily involved in development and development consulting, but the sale of investment properties is now becoming a major part of the firm's activities. From the formation of this venture with only the two original partners working on developments, the firm has grown to a staff of seven persons, and office space has had to be expanded each year.

As development consultants, the firm represents both profit and non-profit sponsors in conceiving and executing projects which range from elderly complexes, including nursing homes, to conventional apartment projects and PUDS. Over 30 projects are now being worked on in 12 midwestern and eastern states. Many of the developments involve Section 8 and state agency financing or loans under various HUD programs (Sections 221(d) (4), 202, 231 and 232). In 1978, Harris Webber, Ltd. closed over \$21 million in project loans (750 dwelling units). Anticipated loan closing in the first half of 1979 exceed \$22 million, with an additional \$30 million in loans in various stages of HUD processing.

After coming to the Chicago area in 1973, Rial (as he prefers to be called; only Dave Tomfohrde and Professor Graaskamp still call him Harry, which is what the "H" stands for) worked as a real estate consultant at the Oakbrook office of Economics Research Associates, a national consulting firm. After two years there doing market and feasibility studies for numerous national and local clients, he became an investment analyst in the brokerage department at Romanek-Golub and Company.

Rial and his wife, Gwen, who is a commercial artist, have a 4-month old daughter and live in Highland Park, where they are in the process of renovating a 50-year old coachhouse.

Rial and his partner are interested in potential conventional and FHA developments, primarily as joint venture partners or sole developers. They are also specializing in the sale of the investment properties in medium-size midwestern communities and are continually seeking sources of equity capital for partnerships or outright purchasers. If alumni would like additional information, Rial can be reached at the firm's office at 500 Skokie Boulevard in Northbrook, Illinois or at (312) 272-9686.

#### Grads on the Move

Pam Oleinik and Chuck Iverson have joined the staff of American Appraisal. They join three other grads, Mike Plumber, Dan Rosien and Mike Rooney. American Appraisal alumni who are also University of Wisconsin alumni include Dennis Anderson, Don Evans, Mike Franzen, Dave Berens, Nate Mirza and Dale Antrim.

Robert W. Richardson received his MAI. He joins Don Evans and Dave Berens as alumni of the program with an MAI and living in Madison.

John Ramzy writes that he is alive and well in Anchorage, Alaska. He joined the firm of Professional Funds, a real estate syndicator. John participates as a general partner and is responsible for underwriting the offering, drafting the circular, and filing properties. Also, John teaches Real Estate Fundamentals and the lab portion of the Real Estate Investment Analysis at the University of Alaska-Anchorage. John states, "Damn glad I went to the University of Wisconsin... bring your skis when you come to Alaska!"

Jim Schwartz joined the firm of Balcor located at 10024 Skokie Boulevard; Skokie, Illinois.

In December, Robert R. Richter became associated with Milwaukee Investment Realty Co., Inc.; 605 North Broadway; Milwaukee, Wisconsin. His firm specializes in the direct purchase, trade and sale of multi-family investment real estate.

Steve Jarchow published an article in the Winter 1979 issue of Real Estate Review entitled "The Tax Consequences of a Piece of the Action". A must reading if you are wheeling and dealing in real estate and wondering about your tax consequences.

Robert L. Conner married Jeanetter M. Thomas on November 25, 1978. They reside at 7800 Burgoyne, Apt. 113; Houston, Texas 77063. Also on November 25th, Tom McMullan married Julie Hafner in Orinda, California.

David Groth and David Pietka joined together with Donald Palmer to form a new appraisal firm named Palmer, Groth and Pietka, located in Portland, Oregon.

PLAN TO ATTEND THE SECOND BI-ANNUAL U.W. REAL ESTATE ALUMNI ASSOCIATION SEMINAR - SEPTEMBER 14, 15 AND 16, 1979



# University of Wisconsin Real Estate Alumni Association NEWSLETTER

November 1979

Volume 3, Number 2

## Editor's Note

This issue includes news from the Chief, a letter from the President, a summary of the September Seminar, Spotlight on the grads, grads on the move and job opportunities.

If you want to contribute to the newsletter - promotions, new companies, alumni activities, placement opportunities, professional designations or anything else we can do to improve the newsletter, send your comments to Mike Rooney, 8222 Jackson Park Boulevard, Wauwatosa, Wisconsin 53213.

## News from the Chief

The massive turnout of 150 alumni at the second biennial reunion is still causing ripples here on campus. First, the students presently in residence were greatly impressed and given great pride in the support promised by eventual membership in such group. Then, too, Dean Blakely saw the group as a real affirmation of his belief in a relevant and practical education in business matters; he is presently acting Dean, and it remains to be seen whether he will eventually be confirmed as Dean of the entire school should Dean Bock, now on leave, decide to return to academic life. Other faculty have heard about it and commented favorably while passing us in the halls. And perhaps most unusual, our guest speakers who where not alums wrote us thank-you letters for the opportunity to participate. As for myself, the demonstration of esprit d'corps and professional attainment was a source of satisfaction and pride that exceeded even that of my romanticized participation in high school sports when we went undefeated in five years of football. What is there to say except wow!

A financial summary of the reunion extravaganza would be:

Total receipts	9363.00
Lowell Hall-rooms	(1548.00)
Lowell Hall-food and drink	(4734.85)
Football Tickets	( 720.00)
Guest speaker expenses	( 202.20)
Administrative Payroll	( 77.00)
Doc de Haven	( 400.00)
Miscellaneous Expense	( 200.47)
Net Surplus for Randall Bank Account	<hr/> \$1480.48 <hr/> <hr/>

In addition, the Real Estate Club took in \$388.50 in book sales.

Interviewing has begun with a relatively new twist. A number of firms such as Coldwell Banker and Levanthol & Horwath are hosting an evening of general discussion prior to interviews the following day to meet students who may be graduating two or three semesters in the future. They also hope to educate the student to opportunities and remove misconceptions which they may have about careers in brokerage or consulting or banking. This year there is more emphasis on commercial brokerage, and the first meeting of the Real Estate Club was an excellent statement of the case for investment brokerage by Norman Flynn and Gary Bebin of the Coldwell Banker Chicago office will expand on that theme later in the semester. The Real Estate Club enjoyed a rich day in Milwaukee with Bob Reuss and Gene Skaggs hosting for Northwestern Mutual and Doug Wilson hosting for the First Wisconsin. Indeed all of the First Wisconsin brass, including Roger Fitzsimmons and Dick Holscher spent generous amounts of time with the students at a swanky cocktail party on the 40th floor of the bank to open the recruiting season.

The Urban Land Institute will be announcing a new modular textbook of 16 page units on the development process, directed primarily to the quantitative aspects for physical planners and political administrators. This series will be edited by Professor Graaskamp, and the first five or six titles and authors have been selected and will involve some of our alumni as well as other good people around the United States. This opportunity will serve to inform others about the Wisconsin viewpoint. We've also been approached by the SIR to assist in their educational program development. Fran Larson's new manual Techniques for Writing Business Reports is now off the presses and available to alumni at 20% off the list price \$8.95. Similarly, a new anthology of Ratcliff writings, Ratcliff on Real Estate Valuation and its Roots in Land Economic, since 1949 is available at 20% off the retail price of \$15.00. Make checks payable to University of Wisconsin Real Estate Club and mail to Room 118, School of Business, 1155 Observatory Drive, Madison, 53706.

#### Letter from the President

On September 15, 1979 the Board of Directors held its first bi-annual meeting. Present were Stephen Elpern (President), Mary Buczynski (Director at large), Jim Curtis (Director at large), Jeff Davis (Director-Central), Mike Buccholz (Director-Southwest), James Graaskamp (Professor), Tom Klein (alumnus), Jay Kramer (Director-Mountain), Joe Pasquarella (Director-East), Mike Rooney (Director at large) and Jim Vernor (Director-Southeast). The following items of business were discussed.

1. The Association will have its fiscal year run concurrently with the calendar year. Annual contributions will be \$15.00.
2. A committee, to be headed by Jeff Davis, was established to draft election by-laws. In the future, regional directors will be elected from the regions for a 4-year term. The president will be elected by the regional directors

at the bi-annual Alumni seminar for a 2-year term. The president will appoint the at large directors for 2-year terms. Details of the elections are to be worked out by the committee.

3. A committee, to be headed by Mary Buczynski and Jim Vernor was established to coordinate the organization of the 1981 bi-annual meeting.
4. It was decided that a concerted effort will be made to publicize the Association and the real estate program at the University. A committee, to be headed by Joe Pasquarella, Jim Curtis and Mike Rooney, was established to coordinate this work and to determine the feasibility of hiring a public relations firm to aid in our efforts.
5. The newsletter will continue to be edited by Mike Rooney as a quarterly publication. Publishing dates will be February 10, May 10th, August 10th, and November 10th. Material to be published must be received at least 30 days prior to the publishing date to be included. It can be sent directly to Mike or to your regional director. The August 10th newsletter will include the annual membership roster.
6. A committee was established, to be headed by Steve Elpern, to review and oversee the finances of the Association. The May 10th newsletter will contain an annual report of income and expenses and a balance sheet.

These decisions by the Board are an attempt to formalize the Association in a way that will allow it to achieve its goals without becoming overly bureaucratic or rigid. If you have any suggestions or opinions contact me or your local director.

We are actively looking for members who would like to be on either the election, publicity or finance committee. Contact the committee chairman directly if you are interested. We are also looking for members who would like to be considered for nomination as director of their region. Contact your regional director if you are interested.

#### Summary of the Seminar

Dan Rosien, Mary Buczynski, Doug Heston, Pam Oleinik Heston and Brigid Rooney graciously agreed to take notes of the September seminar at Madison, Wisconsin, and they filed the following reports.

#### Thursday - September 13, 1979

- 7:30 P.M. Survival As your Own Boss  
Karel Clettenberg - Bartlett, Clettenberg & Osenbaugh;  
Dallas, Texas  
Tom Neujahr - Urban Land Perspectives; Madison, Wisconsin  
Mike Rooney - The Rooney Group; Milwaukee, Wisconsin.

These three men who have vastly different personalities, different businesses in different cities, provided common denominators for survival as your own boss:

- . Running your own business is not for everyone.
- . Running your own business takes a strong commitment, a large ego and great confidence that you can provide a better service or product.
- . There is never a right time to start a business. There is always a reason not to do it now.
- . A definite plan of attack is a requirement for success. Areas that are not your expertise, such as accounting, legal, etc., should be purchased from other professionals in order to permit you to concentrate on the areas you do best.

All three men appeared to be enjoying themselves in running their own business, and we will be watching to see how these companies do in the future.

Friday, September 14, 1979

9:30-10:15 A.M. Energy Conservation for Commercial Structures  
Bill Ibach - Northwestern Mutual

Bill Ibach, a Real Estate Investment Officer at the Northwestern Mutual Life Insurance Company who specializes in Energy Conservation addressed the 1979 Seminar gathering on his favorite topic.

In most cases, Bill argues, a tenant's comfort does not have to be sacrificed in order to increase efficiency. There are many small adjustments that can save energy without additional capital outlays. However, should a capital expenditure be necessary, keep in mind that tenants who bear the cost of escalating expenses will receive the most immediate benefit. Therefore, leases should be written requiring tenants to share the cost of these improvements. In the long run, the landlord will benefit as space becomes more marketable and as increased net income raises the capitalized value of the building upon resale. A registered architect himself, Bill strongly believes that everyone dealing with Real Estate should have an understanding of how a building works in order to recognize the upside potential of an investment when appraising and underwriting and to maximize net income when developing, leasing, and managing.

10:30-12:00 Noon - Profits in Rehabilitation

1. Tim Knittel, Phoenix, Downtown Residential
2. Brad Binkowski, Adaptive Reuse of Industrial Plant
3. Arun Bhatia, New York, Downtown Residential

Tim Knittel spoke about residential rehabilitation, while Brad and Arun spoke about commercial. Despite the different end uses, there were common themes from each speaker:

- . Look for unique properties that are rundown, older or in short supply. When a rehab is being planned, give it pizzaz.
- . Know the neighborhood, where it has been and where it is going.
- . Be ready to move quickly when something becomes available.
- . You make your money when you buy, not when you sell. Buy cheap. Bargain your brains off. Typically, significant discounts from asking prices are available.
- . Rehabing has high front end risk.
- . List and cost out the rehabilitation prior to closing.
- . The economic analysis technique is your basic back door approach. What price can be paid given economic rents, the costs of rehab, funds and equity yield desired.

#### How to Get Started in Rehab

Probably, there are as many ways of getting started in rehabs as there are real estate entrepreneurs. The three speakers' methods were: borrowing against other assets (a Mercedes, no less); leveraging their consulting experience and sweat equity; and using family capital.

In order to keep the equity cash contribution as small as possible, architects may be brought into the partnership. The architectural costs in a rehab can be a major factor.

As in all real estate development, the first rehab project must be a successful one. It establishes your reputation and opens doors for future projects.

#### Implementing a Rehab

Know the market. What will sell. Market and environment. If you cannot perform a function, hire someone to do it. Be sure they are competent. Review their work elsewhere. Be your own general contractor.

Stay on top of your projects. They take a tremendous amount of time and effort.

Try to get publicity in the paper such as articles in the Sunday Real Estate Sections. Speak at local professional meetings.

Try to get an architect who will work with you, who is available, who is flexible.

In order to get the rental income flowing, lease while construction is still in progress, but give rental discounts.

### Economic Advantages of a Rehab

- . Depreciation advantages.
- . Amenity advantages. If the project has been done right, the building should be unique with a character all its own.
- . There are special tax write-offs for rehabs. This advantage makes the deal more marketable versus other projects.
- . Investment tax credits are available.
- . Five year write-off is available for "Landmark" properties.

1:00-2:15 P.M. The Hazards and Opportunities of Our Fragile Business Cycle Environment  
Harvey Wilmeth, Vice President and Economist  
from Northwestern Mutual Life

### Business Cycle Relationships

Real estate construction and real estate markets are singularly vulnerable to business cycle forces. Anyone planning a career in real estate related areas needs to have a working knowledge of the basic types of business cycles. At critical turning points in the economy, this knowledge can make the difference between business survival and serious loss or bankruptcy.

There are three fundamentally different types of business cycles. The most familiar of these is the ordinary business cycle, sometimes also called an inventory cycle because of the characteristic unplanned accumulation of inventories around the upper turning point of the cycle. The ordinary business cycle tends to run about four years, and to be synchronized by the political needs of presidential election campaigns. The behavior of this cycle is well defined in the economic literature.

Considerable evidence exists of a capital investment cycle, composed of three to five ordinary business cycles. This cycle is notable for a marked increase and decline in one or more important categories of capital formation. The period from the end of the 2nd World War to 1957-1958 constituted a period of increase and decline in the rate of capital formation in consumer and producer durables. Investment in long lived structures of all types increased gradually following the end of World War 2, and continued at a comparatively high level throughout the 1957-1958 recession and the 1960's.

The period from 1957-1958 to 1974-1975 exhibited another cyclical fluctuation in capital formation. In this case the cycle in consumer and producer durables was considerably more moderate than in the prior capital investment cycle. The rate of capital formation in commercial and industrial structures, however, reached a

post-World War-2 high in the late 1960's, then declined to its lowest levels in a quarter century by 1975. Housing investment also declined to quarter-century lows in 1975.

In the ordinary business cycle expansion since 1975, an exceptional high rate of credit expansion has been necessary to stimulate a low average capital formation rate. Household-sector investment in housing and consumer durables has provided a disproportionate share of total capital formation. Business investment in plant and equipment has been weak. Why has so much credit expansion been needed to achieve modest rates of net capital formation? The answer to this question must be sought in the long-wave cycle.

The most important and least understood of the three types of business cycles is the Kondratieff or long-wave cycle. This cycle, lasting 40-60 years, appears to be composed of an expansion phase covering several capital investment cycles, followed by an adjustment phase typified by low or negative rates of net capital formation. The Great Depression of the 1930's was such an adjustment phase. A prolonged depression is brutal in its effects, but historically, periodic depressions have served to renew the expansionary forces in free enterprise economies in ways we are just beginning to understand. Peak to peak, the last long-wave cycle can be viewed as lasting from the late 1920's to the 1969-1973 period. Its trough in most respects came at the end of the 2nd World War.

During the expansion phase of the long-wave cycle, underlying strengths in the economy gradually erode and are replaced by increasing imbalances which ultimately disrupt the expansion. Prior to the neo-Keynesian revolution in governmental economic policies, this disruption took the form of a depression which ultimately corrected the imbalances. Now, however, we are utilizing increasing inflation rates to defer the adjustment process and prolong at least a modest rate of real growth. In effect, the economy is stalled at the upper turning point of the long-wave cycle. The price being paid for this is high and rising inflation rates (average rates over an ordinary business cycle), plus declining productivity growth.

The controlling forces in the long-wave cycle are too complex for an adequate description here, but their general character can be noted. In the expansion phase, there is a significant decline in the proportionate amount of depreciation and obsolescence in the stock of reproducible tangible wealth. This reduces the propensity of wealth-owners to replace existing tangible assets with newer, more efficient, more stylish, etc., assets. In the financial area a number of critical shifts occur during the expansion phase. Creditors increase their share of wealth at the expense of debtors (tangible asset-owners). The banking system loses liquidity as federal debt declines in economic size and private debt increases. Interest rates rise as the economic size of the money stock (M1) declines and credit expansion rates increase. The financial liquidity of all private sectors decline.

Stock prices rise relative to asset values for an extended period as prosperity continues, then decline as interest rates reach critical levels and profit margins narrow. Increasing rates of inflation become essential to prevent massive stagnation or depression.

Any long term investments made today are a speculation on the willingness and ability of the country to stimulate enough inflation to further defer the adjustment phase of the long wave cycle. Real estate investments, frequently financed by high percentage mortgage loans, are particularly vulnerable to severe stagnation or depression. None of the prevailing economic theories offer a practical means to correct the long-cycle imbalances without a depression, which is not politically acceptable. The outlook is for continued high levels of instability in an economy perilously perched at the crest of a long-wave cycle.

2:15-3:00 P.M. Equity Fund Acquisition - A Panel Discussion  
Jim Curtis - Bank America Realty Services  
Jim Schwartz - Balcort Company  
Richard Shima - Morgan Guaranty Trust  
Jim Smith - U.S. Equities, Incorporated

The panel members discussed the varying criteria that different types of equity investors look for in real estate acquisition. The major types of buyers - offshore, institutional, pension fund, and syndications - were discussed, as were the differences in the requirements for each. These varying requirements include desired yield, type of property, tax effects, and geographical location.

The panel members then gave their views of what the future will hold for these types of investors and investments. This discussion ranged from the impact of these investors on the real estate market, to how government regulation might effect these types of investments in the future.

3:15-5:00 P.M. Urban Note Concepts  
Robert Ward, Westcorp Shopping Center Development  
Phoenix

The speaker is a shopping center developer in Arizona. He spoke about his latent shopping center project in Phoenix. The developer controlled not only the development of the center, but also of surrounding ancillary uses - including retail, commercial, residential, and parks; in short, he created a planned community around a regional shopping center.

Mr. Ward discussed a variety of theoretical land use issues and explained how he applied them to the real world. Included among these were land use compatibility, the location of one type of use relative to another, the use of open space and recreational areas, and the need for having governing bodies as allies in the entire process, rather than as foes.



### Spotlight on the Grad

Tim Warner has been involved in the Houston scene for the last two years with his appraisal and market and financial analysis practice. He was "born" into the real estate business, his father being a Realtor-appraiser in the Milwaukee area. After his father's untimely death, he worked with Holzhauer and Company, appraisers and consultants before returning for the master's program and graduating in 1974. From there he meandered to work with the appraisal department of Mortgage Guaranty Insurance Corporation. Starting as a project analyst, he eventually succeeded to Manager of Appraisal Operations while also obtaining the M.A.I. and S.R.P.A. designations.

In mid-1977, he and his family moved to Houston, his wife's hometown. "Houston can best be described in terms of P.T. Barnum's maxim that financial genius is a bull market. Everyone presumes their project can't fail. Feasibility isn't a question."

"I remember going through the process of approval by a very large eastern lender who had called me to do some work. As part of the screening process, I was asked to submit 3 or so reports I had done. I sent 3 or 4 feasibility reports. Shortly thereafter, I was called and asked to resubmit 3 'simple' three approach appraisal reports." Tim, his wife, Ruth, and their two children, Garrett, 4 years, and Jean, 2 years (also known as Plunder and Pillage to the other families in their subdivision) live on Houston's southwest side.

"My major involvements right now are my family and, as usual, just reading and learning. Readers will be spared inundation by my various real estate and other philosophies, which I am usually quick to unload on the unwary."

"My general perception is that there are two major types of people in real estate, the deal makers and in one word, functionaries. The energy source for the process are the deal makers. There is really too little analysis done on any basis for a real estate venture. Part of the problem is that the majority of consultants, appraisers and the like have less technical skill to bring to bear than the average U. W. undergrad. Further, his experience is often experiential rather than towards principles. This is like comparing any other management consultant to a Peter Drucker. Lastly, most appraisers or consultants really supply the question to be answered. They don't elicit a goal or the real question from the client. As far as relative compensation, it directly correlated and scaled to 'he who takes the risks'..."

### Grads on the Move

Tom McMullan has joined Sutter Hill Limited in Palo Alto, California. He will be responsible for the development of new shopping centers, and renovation and redevelopment of existing centers.

John Coppola has joined Bank of America's Trust Real Estate Investment group as Vice President and Acquisition Manager. He will be responsible for acquiring income properties for foreign clients of the bank and Bank America's Commingled Pension Fund.

Wayne Batavia has joined Genstar Pacific Investments, a division of Genstar Pacific Corporation. His primary responsibilities will be the analyses of new joint ventures and the monitoring of existing developments.

### Job Opportunities

Two Real Estate Consulting Directors:

Two opportunities to work for the established mid-west and eastern Real Estate Consulting Practices for Coppers & Lybrand, the largest public accounting and management consulting firm in the world.

In each of these positions, functions will focus on the following:

- Identify land development patterns and influences as they relate to the formation of land development strategy;
- recommend policies and procedures for plan implementation;
- prepare market, financial feasibility and other reports relating to the total scope of real estate land use including housing, hotel/motel, industrial and other institutional uses;
- compile and analyze economic, demographic and real estate data.

The candidates will assume responsibility for marketing and delivery of all mid-west and eastern real estate consulting services and will report to the National Director, Real Estate Consulting. These positions will be based in Chicago and New York.

The candidates should be strong performers with a minimum of 5 years' financial/consulting experience acquired in real estate; must have incisive understanding of challenges facing developers; have knowledge of commercial real estate activities and structuring of financial arrangements. Strong communication skills (oral and written) and highly analytical mind. Bachelors degree is required; MBA/CPA is desirable. The entrepreneurial, self-initiator who thrives on a fast track exemplifies the type of candidates sought.

If interested call Bill Wilson (215) 569-2000 for a confidential discussion, or, send resume to Coopers & Lybrand, Three Girard Plaza, Philadelphia, PA. 19102.

Vice President of Acquisitions for a Florida firm.

McKinnis & Associates, Inc., an executive search firm has been retained by a substantial investment syndication company to locate for them a Vice President of Acquisitions. The individual's major responsibilities will be to analyze, negotiate and subsequently purchase income producing properties. The candidate must be intimately familiar with commercial

properties , able to interact with others, and capable of directing the efforts of a small staff. This position reports directly to the President and offers visibility, growth and future. Salary and total compensation are significant for the appropriate individual.

If interested, contact Joe D. Goodwin, Vice President, McKinnis & Associates, Inc., 120 South University Drive, Fort Lauderdale, Florida, 33324.  
(305) 583-7340.

# University of Wisconsin Real Estate Alumni Association NEWSLETTER

February, 1980

Volume 4, Number 1

## Editor's Note

You are probably wondering why the February issue of the Newsletter is arriving when the crocuses are in bloom, the trees and leaves are green, and the red bird sings. Well it must be the Post Office, the Carter Administration, or OPEC that is to blame. First one to complain will be appointed the next editor.

This issue includes news from the Chief, Spotlight on Professor Andrews, Spotlight on two Grads of the program with law degrees, a short article by Steve Jarkow on real estate tax topics, Grads on the Move, and brief resumes on this year's graduates who are seeking employment.

Next issue will include the roster of the association's membership. So, will you please inform us of any changes, additions, subtractions, etc., that you want by writing:

U W Real Estate Alumni Association  
118 School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53708

If you want to contribute to the newsletter - promotions, new companies, alumni activities, placement opportunities, professional designations or anything else we can do to improve the newsletter, send your comments to the editor, Mike Rooney, 933 North Mayfair Road, Suite 303, Milwaukee, Wisconsin 53226.

## Letter from the Chief

Aloha - Chief will be doing missionary work for the month of March for the University of Hawaii, but the rumors are flying that he will retire or teach in Florida, Georgia, Texas, Washington, or Alaska - not so! Like Grant, I expect to fight it out on this line indefinitely, in a war of attrition on the University, on the students, on City Hall, and ignorance in general.

"Improvisation" is the word for the spring semester 1980. Jim Canestaro has left for VPI and the Chief is supposed to be on sabbatical while Mike Robbins does flips for the Olympic Jimnist's. Of course nobody ever gets away from Madison completely. Canestaro will return on February 1 and again on April 11 to run two 4-hour seminars on office building construction. The Chief will lecture every Wednesday that he is in town in Equity Investment and Feasibility Analysis. Courses have been redesigned so that Robbins can teach on Wednesday only, with some occasional lab periods. Maximum enrollment in 550 has been cut back so that Fraser

Gurd and Kim Peterson can spend extra time coaching students on MR CAP and the computer. 555 - Commercial Real Estate Development will require each student to do a term paper in addition to a 2-hour class once a week. Most of the feasibility course projects will be with the City of Monona.

On recent travels we had dinner with the Atlanta Underground Alumni led by Howard Zuckerman, Leo Dolan and Steve Tabb. It was a momentous occasion as Lynn Woodward was there sporting his newly bequeathed Ph.D. degree! In San Francisco, Profession Ratcliff and his wife Dorothy, joined an Alumni cadre led by Jim Curtis, Steve Chan, Jack Swanson, Verna Causby, Bob Peltzman, and Larry Hickman. Speaking of Professor Ratcliff, a new anthology of his work out of print has been published by Landmark Research, 202A Breese Terrace, Madison 53705, at \$15.00 a copy, less 20% for UW Alumni.

How's this for public relations? Vicki Mabry with Rouse & Company will be a centerfold in the March Mademoiselle! Also located UW Alumnus Peter Higgins at Rouse and Company in Columbia.

Experiments with the TRS-80 have not gone well and the whole thing is for sale if you need one. We are now exploring alternatives.

Interviewing for December graduates is off to a relatively slow start as institutional real estate investors and mortgage lenders take a wait and see attitude. However, we have only six December grads and Neil Lewis has joined Banco Mortgage Company in Minneapolis and Mike Samuels has joined Leventhal & Horwarth in Philadelphia. We do receive more calls for people with experience, interested in upper level positions. For example, John Hart of Robert Heller Associates, Inc., 25 Valley Drive, Greenwich, Connecticut 06830 (203-869-1666) is looking for someone to be based in a Chicago suburb to manage the Chicago office of 8-10 professional appraisers. Must have appraisal designation and writing ability, \$45-52,000. Let us know if you are restless and thinking of a move and we will try to match you to an opportunity with discretion.

The Alumni Newsletter and postage can now be financed from the surplus generated by biennial reunion so that gifts and dues to the Foundation can be used exclusively for real estate program support.

### Spotlight on the Professor

Richard B. Andrews

Age: 69

Education: Bachelor of Arts, Economics and English Literature, University of Wisconsin, 1936. Master of Arts, Political Science, University of Wisconsin, 1940. Ph.D. Economics, University of Wisconsin, 1951.

Experience: Professor Andrews has been teaching at U. W. Madison for many years. He began in 1948 as a teaching assistant and, as time and degrees permitted, worked his way through the teaching echelon to become a professor in 1962. The 1980-81 academic year will be the last in his teaching career - a thought Professor Andrews does not cherish. At that time, he will reach the mandatory retirement age of 70.

Family: Has a wife, Ruth, who teaches piano and organ in their home; no children, and two cats, Max and Jerome.

Hobbies: Enjoys ice skating, cross-country skiing, canoeing, walking, and reading the classics.

Special Interests: Public and local affairs; particularly interested in the location and relocation of Madison's Civic Center, and of Madison Area Technical College. Currently is the Director of the Center for Urban Land Economics Research, a research organization concerned with the development and extension of urban land economic theory.

Course Load: Teaches Urban Land Use Location Theory, Urban Systems & Principles of Urban Land Economics, Urban Land Economics: Public Policy, Situs and Structure Theory, Succession and Institutions, Research Philosophy, Urban Concepts & Values, and Major Authors and General Literature in Urban Land Economics.

Recent Publications: Has published several books and articles, but recent publications include The Urban System, Urban Land Economics and Public Policy, and a series of monographs on urban land economics (available through the Center for Urban Land Economics Research, Madison).

Lifestyle: Professor and Ruth Andrews were energy conscious long before it came in vogue; they have never owned a car and say, they are, "...quite comfortable without." They enjoy walking, but take the metro bus if their destination is too far. They live in a house overlooking Lake Mendota which was designed by a student of Frank Lloyd Wright

Author's Note: Throughout his teaching career, Professor Andrews contributed a great deal to students of Real Estate and Urban Land Economics. When he retires, his absence will be dearly felt. For all you have done, Professor Andrews, we thank you.

### Spotlight on the Grads

Each issue we have focused the spotlight on a couple of graduates. Many of the grads that have chosen the brokerage or development segment of the real estate spectrum often wish to "go back to law school so as to queer their own deals". This issue we spotlight two graduates both with law degrees who have taken two diverse paths in their young, but successful careers.

Steve Jarchow, of Dallas, Texas, was born and raised in Madison. At the University of Wisconsin, Steve earned a B.B.A. in accounting, an M.S. in The Program and an L.L.B., and all with honors. Steve passed the C.P.A. examination and is a member of the Texas and Wisconsin Bar Associations. He is a contributing editor of Real Estate Syndications and a regular contributor to Real Estate Review. Steve has an impressive

list of published articles and with a little arm-twisting, has agreed to contribute a short article to this newsletter. Steve also enjoys teaching and currently conducts a course in law and taxation at the Cox School of Business at Southern Methodist University. Steve has worked for the IRS, Allis-Chalmers Corporation, DeWitt, McAndrews & Sundby, Foley and Lardner, and currently, Freytag, Marshall, Beneke, LaForce, Rubinstein and Stutzman.

Steve's work with the IRS in Madison consisted of assisting revenue agents on various projects and conducting his own audits of individual, partnership, corporate and fiduciary income. His summer at Allis-Chalmers was spent preparing domestic and foreign tax returns and on various tax research projects. During the summer of 1975, he worked in the Chicago office of the Regional Counsel of the IRS and spent a month in each of the Criminal Tax, Tax Court and General Litigation functions. During each law school academic year he was employed by DeWitt, McAndrews, & Sundby, S.C., a Madison law firm.

Steve practiced law for three years with Foley & Lardner, a large Milwaukee firm (150+ lawyers) where his work consisted of foreign and domestic tax, real estate and general business planning. Currently, Steve is practicing with Freytag, Marshall, Beneke, LaForce, Rubinstein & Stutzman, a medium-sized Dallas firm (20+ lawyers) with a sophisticated tax and real estate practice. His work consists of tax and securities law with primary emphasis on limited partnership syndications and international real estate transactions.

Steve is married and lives in Dallas. If you need a top flight attorney who understands the accounting and legal ramifications of a sophisticated real estate deal or syndication, give Steve Jarchow a call. If you happen to be in Dallas and are in need of a casual, excellent Mexican restaurant, Steve can also help you.

Ken Hembel, of New Orleans, Louisiana, is an attorney and C.P.A. Ken has three degrees from the University of Wisconsin - Madison, a B.B.A. with a major in operations research and production management, an M.B.A. and a J.D. Ken also has a long string of academic honors and has a propensity for teaching. But that is where Ken's and Steve's careers differ. Ken never directed his efforts to real estate related law practice, but rather has pursued the corporate treasurer-controller path. After his final graduation from U.W.-Madison, Ken joined the auditing firm Arthur Andersen and Company in New Orleans, where he dealt with tax-related problems of accounting. In February, 1974, Ken joined Louisiana General Services located in Harvey, Louisiana. As tax coordinator, Ken performed the following litany of impressive tasks:

Ken prepared the consolidated US return for ten subsidiaries and corporate returns for several states. Reviewed tax accruals and prepared quarterly SEC reconciliations. Dealt with IRS agents. Performed tax compliance work for the pension plan and thrift plan. Worked with outside counsel in amending the pension plan to conform with ERISA and with people of Equitable in setting company up as a new account and in transferring plan assets to Equitable. Made a presentation to the Board of Directors to explain the amendments made, why made, how much the change would cost and why the company went with Equitable. Wrote the tax opinion for a public securities offering. Helped structure the Exploration Fund to find new gas and dedicate it to

company's system. Met with IRS in Washington twice in attempting to secure a ruling with regard to the taxability of the Fund.

In 1975, Ken joined Oil Drilling and Explorative Company in New Orleans as tax supervisor where he prepared the major tax returns and legal documents for this company, its key employees and subsidiaries in the U.S. and a long list of foreign companies.

In July, 1978, Ken formed the firm, Guth and Hembel, a law firm with a general practice. In March, 1979, to the present, Ken has become the Treasurer-Controller and Secretary of Con Pac, Inc., where he supervises the accounting section and is the chief financial officer responsible for preparation of financial statements, internal audit, and managing cash flow. Ken has daily contact with banks and other financial institutions. Other responsibilities include employee benefits, personnel and all corporate insurance. Ken streamlined accounting system and installed an electronic data processing system to do all accounting through general ledger as well as job cost analysis for the company, a manufacturing operation with four profit centers - three facilities each doing unrelated work, employing 100-170 people, with gross sales of five million dollars.

Ken hasn't entirely turned his back on the real estate racket, as he recently designed and built his 2,800 square foot under beam, 2,000 square foot living area house in the "woods" about an hour drive from his office in New Orleans. He also owns "a couple of lots in a nearby subdivision" where he wants to build and sell spec homes, when money loosens up - Don't we all.

#### Real Estate Tax Topics by Steve Jarchow

Foreign investment in United States real estate is a persistent theme that will have profound and lasting impacts upon all who participate in and are influenced by the real estate market. Enlightened foreigners often invest in U. S. real estate through foreign corporations so as to avoid U. S. estate tax. As a general matter, shares of a foreign corporation are not included in the taxable estate of a non-resident alien, even if the corporation's sole asset in U. S. real estate. Similarly, a gift by a nonresident alien of shares of a foreign corporation is not subject to U.S. gift tax. About three-fourths of the 50 U.S. states allow foreign corporations to own real estate.

Some foreign corporations are better than others, generally because of income tax treaty benefits. An investor from West Germany, or some other country having an income tax treaty with the U.S., may use a company formed in his own country. An investor with funds in a nontreaty jurisdiction may use a company based in the Netherlands Antilles or some other tax haven subject to a favorable tax treaty. However, particular treaty benefits or important nontax considerations may prompt the use of an investment vehicle other than a foreign corporation.

At present, there are a number of bills pending in Congress which are aimed at preempting tax avoidance devices used by foreigners investing in U.S. real estate. In addition, the Netherlands-U.S. tax treaty, which covers the Netherlands Antilles, is up for renegotiation and the ultimate new treaty may close some traditional tax planning avenues. However, despite all this activity, inventive minds will still be at work and new approaches will undoubtedly be developed.



### Grad's on the Move

Jay Kramer writes that the Denver contingent of the Real Estate Alumni had numerous new members as of 1979, with Lee Ebert joining Coldwell Banker in the mortgage banking division, Ed Suharski moving to Denver to join Knowlton Realty, a Canadian brokerage firm, Matt Wall moving to Denver University from Cal Poly State University, and Doug McFadyen and Bob Seeeney initiating Western Mortgage Loan Corporation's Denver operation. In addition, Stephen Bye recently joined Coldwell Banker in the mortgage banking division, previously he was employed in the Denver regional office of Northwestern Mutual.

Many of the Denver alumni gathered in early fall at Jay Kramer's home for an evening of cocktails and camaraderie. The quote of the evening belonged to Matt Wall who very humorously inquired as to the whereabouts of the slides or speaker of the evening.

Howard Zuckerman, M.S. grad of 1975, will break ground on a 37 unit condominium project just as soon as the mortgage market breaks. The Atlanta development, on which he will have an equity stake, will be called "September Chase Town Houses".

Leo Dolan, '73 grad, has been with the First Wisconsin Mortgage Company in Atlanta, tending to their asset management and liquidation - so successfully that he will be available for alternative opportunities this spring. Congratulations, (we think!).

Bob Brazee, M.S. grad of 1975, has relocated to Atlanta from Minneapolis, where he was with First National Bank of Minneapolis. After a one year partnership in home building, Bob is operating solo in north suburban Atlanta, as Brazee Builders.

Steve Tabb, M.S. grad of 1977, joined the Atlanta office of New York Life in June and is engaged in appraising and underwriting income properties - especially shopping centers, office buildings and apartments.

Joe Pasquarella, M.S. 1973 grad, left the secure confines of Thompson & Associates to form his own appraisal firm with the unique name of Joseph Dennis Pasquarella & Company. If you have appraisal assignments in the Philadelphia area, Joe's office is located at 9231 Frankford Avenue, Philadelphia, Pennsylvania, and his phone number is (215) 332-8709.

Jim Curtis, M.S. grad 1976, has been transferred within Bank of America from the REIT advisor to Bank of America Investment Real Estate. In this new position he will be responsible for acquiring investment property for offshore clients of the Bank and Bank of America's Commingled Pension Fund.

Jim Smith, M.S. grad 1977, has joined Filfield Palmer & Company as Director of Acquisitions. Filfield Palmer & Company is a full-service real estate company based in Chicago and Jim's primary efforts will be directed toward the purchase and sale of investment real estate on behalf of the firm's institutional and private clientele, both domestic and foreign. Jim can be contacted at the corporate headquarters, 111 East Wacker Drive, telephone number is (312) 861-1101.

Fran Brzezinski, M.S. class of 1974, has left First Wisconsin National Bank and joined Jon D. Hammes, M.S. class of 1974, in the Milwaukee office of Trammel Crow Co., 9091 North Deerwood Drive, telephone (414) 354-6060.

The Alumni Association congratulates this year's graduates and wants to assist them in their career pursuits. The graduates have prepared abbreviated resumes so we'll know what their job interests are and how to contact them for further information. If you or your employers have positions available, please make contact!

The abbreviated resumes have the following format:

Name

Madison Address  
Phone

Other Address  
Phone

Graduate degree; Undergraduate degree

Job interests  
Geographical preferences

Peter A. Bradley  
2140-1/2 Regent Street  
Madison, Wisconsin 53705  
(608) 233-7037

23 Star Route  
Menominee, MI 49858  
(906) 863-5769

B.B.A. Real Estate - May 1980; B.A. Urban Analysis

Feasibility and market analysis  
West

Charles C. Chandler  
2018 Greenway Cross, #6  
Madison, WI 53713  
(608) 274-4575

202 Ridgewood Ave.  
Charlotte, N.C. 28209  
(704) 376-4202

M.S. Real Estate - June 1980; B.S. Business

Development and brokerage  
Southeast - Atlanta

James A. Gavin  
307 S. Orchard  
Madison, WI 53715  
(608) 257-9121

235 4th Street  
Reedsburg, WI 53959  
(608) 524-2559

B.B.A. Real Estate - August 1980; B.A. English - August 1980

Appraisal, consulting, and market analysis  
None, prefers mild climate

Dale J. Gruen  
325 West Main, #109  
Madison, WI 53703  
(608) 255-6040

8649 Don Carol Drive  
El Cerrito, CA 94530  
(415) 526-1981

M.S. Real Estate - May 1980; B.A. Economics

Development, valuation, feasibility and/or market studies  
Chicago, or San Francisco

Andrew Hoyns  
501 N. Henry St., #506  
Madison, WI  
(608) 251-3821

N56 W30946 Hwy K  
Hartland, WI 53029  
(414) 367-8240

M.S. Real Estate - May 1980; B.B.A. Real Estate

Development and commercial brokerage  
Central and Southern Florida

Nicholas E. Jahnke  
722 Hill St.  
Madison, WI 53705  
(608) 238-3356

549 W. Prairie St.  
Columbus, WI 54925  
(414) 623-4344

M.S. Real Estate - May, 1980

Investment Analysis for insurance company, bank, or mortgage broker  
South

Thomas Johnson  
311 Island Dr., #1  
Madison, WI 53705  
(608) 238-0859

R.R. 1 Maple Hill  
Winter, WI 54896

M.B.A. Real Estate - August 1980; B.S. Civil Engineering

Computer applications to feasibility studies or investment analysis  
Open

David Juillerat  
530 W. Johnson, #510  
Madison, WI  
(608) 251-8494

419 Harvey Dr.  
Racine, WI 53405  
(414) 634-8781

M.S. Real Estate - August 1980; B.B.A.

Commercial development, lending, leasing, and brokerage  
Milwaukee or Racine

Kevin C. Kelley  
1316 Jenifer St.  
Madison, WI 53703  
(608) 251-2167

717 Kent Rd.  
Kenilworth, IL 60043  
(312) 251-1250

M.S. Real Estate - May 1980

Equity investment, investment consultation, and brokerage  
Denver, Seattle, or San Francisco

Jim Krakauer  
820 E. Johnson  
Madison, WI  
(608) 257-1991

1775 Rosemary Rd.  
Highland Park, IL 60035  
(312) 831-4845

M.S. Real Estate - May 1980; B.A. Political Science Economics

Research and investment analysis  
Pacific Northwest

J. Walter Kubiesa  
425 Paunack Pl.  
Madison, WI 53705  
(608) 233-7810

M.S. Real Estate - May 1980; B.U.P.

Rehabilitation/redevelopment and appraisal  
Open

Frederick M. Marks  
325 West Main, #202  
Madison, WI 53703  
(608) 256-4808

B.B.A. Real Estate - May 1980; Bachelor of Architecture

To bring the technical skills of architecture into feasibility programming  
and cash flow analysis  
West Coast, Southwest, Midwest, East Coast (north of N.C.)

Thomas McCahill  
2910 Ashford Lane  
Madison, WI  
(608) 273-0245

4140 Linden Ave.  
Western Springs, IL 60658  
(312) 246-2459

M.S. Real Estate; B.A. Economics

Feasibility analysis, rehabilitation, and development  
Midwest

John Oharenko  
722 Hill St., #2  
Madison, WI 53705  
(608) 256-6512

904 N. Campbell Ave.  
Chicago, IL 60622  
(312) 276-5906

M.S. Real Estate - August 1980; B.S.C. Finance/Management

Industrial/Commercial Brokerage, investment analysis  
Chicago and the West

Bruce Perchik  
650 Pickford  
Madison, WI  
(608) 233-3452

M.S. Real Estate - May 1980; B.A. Philosophy

Feasibility and market analysis, research  
Open

Catherine Scheurell  
2317 West Lawn Ave.  
Madison, WI 53711  
(608) 238-7522

3220 Parkway Blvd.  
Two Rivers, WI 54241  
(414) 793-3540

M.S. Real Estate - May 1980; B.B.A. Finance & Real Estate

Banking, mortgage banking, and investment analysis  
Open

James E. Synder  
1907 Sherman Ave.  
Madison, WI 53703

M.S. Real Estate - August 1980; B.A. Economics

Development, feasibility and investment analysis  
Open, except for Midwest

Robert Tepperman  
10 Lakewood Garden Ln.  
Madison, WI 53704  
(608) 241-3006

524 Koerper Court  
Wilmette, IL 60091  
(312) 256-2051

M.S. Real Estate - August 1980; B.S. Real Estate

Development, financial and feasibility analysis  
Chicago/Midwest

Gary Voss  
2110 Kendall Ave., #2  
Madison, WI 53711  
(608) 238-1521

1214 Edgehill Dr.  
Madison, WI 53705  
(608) 233-3323

M.S. Real Estate - May 1980

Development, financial analysis, and research

The editor would like to give a special plug for Catherine Schuerell who was the Real Estate Alumni Association's student aide during the past year. Catherine Schuerell has exhibited excellent organization abilities and a facility to get things done as exhibited by the smooth running 1979 Alumni Seminar in Madison. She is a hard worker, good personality and would be a definite asset to any firm.

# UNIVERSITY of WISCONSIN Real Estate Alumni Association NEWSLETTER

September 1980

Volume 3, Number 3

## Business Matters

Mallory Mullins has taken over the job of Alumni Secretary with the graduation of Catherine Schuerrell, who has joined First Wisconsin Mortgage Loan Department after a leisurely two-month drive through the western part of the United States. Mallory Mullins (McQuire, Jr.) can be reached at Jerome J. Mullins & Associates, 401 N. Carroll, Madison, WI 53703, (608) 257-0681. (NOTE: Mallory Mullins will become united in Holy Matrimony with Rodney James McQuire, Jr. on the 20th of September, 1980.) Mallory will serve without pay to provide continuity from semester to semester; we will then hire an assistant each semester from the graduate program to do some of the busy work.

Envelopes for your annual contributions are once again enclosed, for the majority of you missed the first call. Contributors for this year have an asterisk beside their names on the attached mailing list; June and August graduates for 1980 are given a free ride until 1981.

Contributions received to date in 1980 have permitted granting six \$500 scholarships and the funding of a \$1,000 teaching assistantship for Fran Larson. The latter was made necessary by cutbacks in the teaching assistantship budget for all departments in the School of Business.

A firm date has been set for the third biennial alumni seminar - SEPTEMBER 24, THURSDAY EVENING, THROUGH SATURDAY, SEPTEMBER 26, 1981; we have reserved virtually all of Lowell Hall and the football game is with Western Michigan. Mary Buczynski and Jim Vernor are Co-chairpersons of the Program Committee and need your inputs immediately. One feature has to be Jack Swanson's purchase of a \$65 million hotel in California (with Pru's money). Then there is John Kellogg who has bought half of Cook County for Pru.

MARK THE DATE OF SEPTEMBER 24-26 ON YOUR CALENDAR AND SCHEDULE GRANDMA FOR THE KIDS!

Using the surplus from the last seminar, the Alumni Board has created the Wisconsin Award for Outstanding Achievement in Real Estate. It is the intent to present the award and an original statuette (see below) for leaders in the industry and to enhance public recognition of the Wisconsin Alumni as well. An account of the award from the Chicago papers follows.

Warner G. Baird, Sr., chairman of the board of Baird & Warner Inc. and dean of the Chicagoland real estate industry, has been presented the inaugural Wisconsin Award by the University of Wisconsin Real Estate Alumni Association. Baird helped establish the university's real estate program, among the first of its kind in the nation, in 1945 while he was

chairman of the education committee of the National Association of Realtors. Scion of the diversified real estate organization that is marking its 125th anniversary in 1980, Baird has been associated with the company since 1911. He has been one of the most influential members of the Chicago area real estate industry since becoming the company's third president in 1928. His sons, John and Warner G. Jr., are now the company's top executive officers. John is president and Warner is vice president and secretary. The Wisconsin Award will henceforth be awarded on a biannual basis in recognition of outstanding achievement in real estate. The award itself is an original stainless steel design created by sculptor Lucio Savoia. At present the alumni association has 450 graduates/members who are active in real estate in 31 states and four foreign countries.

### School Matters

The Chief reports that fall enrollment in the master's program is down slightly with 42 signed up the end of registration week. The Ph.D. program has Adena Moore, Fraser Gurd, and Kim Peterson as teaching assistants this fall; Lee Shilton is teaching two days a week at the University of Wisconsin-Milwaukee. Rick Johnson and Kim Peterson completed their prelims during registration week and a flood of dissertations has begun. It is possible that Jim DeLisle, Jay Sa-Aadu, Seth Gakpo, and possibly Terry Grissom will complete their dissertations by Christmas - we're nothing but a mail-in degree factory. Robbins should tag along in the spring.

Room 203 will become a graduate and undergraduate real estate bull pen, and to be effective, we need \$2,400 to buy a port on the WITS system for the exclusive use of real estate students in 203. If any of you have need of a significant tax deduction, you might wish to consider that well before the end of your fiscal year. The Real Estate Department is the only department which enjoys this opportunity to have a home room as an experiment on structuring intra-student education.

Placement for the June and August graduates has gone reasonably well; to the best of our knowledge here is the most current report:

Bill Abel - (August)  
Mark Brodd - Grigano General Contractors, Madison  
Tim Carew - First Chicago Bank, Chicago  
Charles Chandler - Leventhol & Horwath, Atlanta  
Stacy Dibbell - Verex, Madison  
Dave Downey - ?  
Greg Erickson - UW Law School  
Dale Gruen - Coopers & Lybrand, San Francisco  
Andy Hoyns - development firm, Tampa  
Tom Johnson - (August)  
Dave Juillerat - Johnson Wax, Racine  
Kevin Kelley - Continental Bank, Chicago  
Kristine Koenig - Leventhol & Horwath, Tampa  
Jim Krakauer - ?  
Walt Kubiesa - Berg Properties, Chicago  
Jim Levin - ?  
Crocker Liu - University of Texas Ph.D. Program, Austin



Fred Marks - The Klein Partnership, Houston  
Tom McCahill - Questor & Associates, San Francisco  
Scott Minter - Eastern New Mexico State  
John Oharenko - (August)  
Bruce Perchik - (August)  
Catherine Schuerrell - First Wisconsin Bank, Milwaukee  
Jim Snyder - (August)  
Gary Voss - University of Wisconsin, MBA Finance

The most serious problems facing the Department are the definite retirement of Professor Richard B. Andrews in June of 1981. There is the possible loss of Craig Stanley in June of 1981 should he fail to achieve tenure and even with tenure should he choose to return to the Northwest. All State institutions are under a hiring freeze at this time with a limited number of exceptions, and it is not clear when the election ploy may be lifted. Nevertheless we are beginning interviews in Denver in September in order to identify possible combinations of urban land economists, real estate market analysts, appraisers, and architectural talents that we may be able to find. We would like to reinforce skills in the Department in terms of the Ph.D. program, particularly dissertation supervision and a Ph.D. seminar at the same time that we reinforce our undergraduate curriculum so that it is not overshadowed completely by the MS program. New personalities in the program will permit some review and reorganization of course content and structure as well so that the year should be a watershed for progress or setback.

#### Social Notes from All Over

Jay and Elaine Kramer are expecting a baby in mid February which will be the first pure genetic strain produced by MS real estate alumni! What other real estate master's program can promise as much?

The entire Denver Chapter convened for dinner in high style at the Florentine Room in the Fairmont Hotel while a number of UW grads (Grissom, Woodward, Vernor, and Chief) were in town for the AREUEA meetings. Mike Kompa is a natural as MC which explains his success at mortgage banking - talk smart but leave the check for somebody else!

Perhaps more remarkable is the news that James R. DeLisle will enter into Holy Matrimony during Christmas holidays with Bennie Spielman. It is rumored that the Chief will be best man in order to witness this extraordinary turnabout and to provide best wishes to the bride.

John Ramzy has moved south from Anchorage to Austin, Texas, where he will enter the Ph.D. program in real estate along with Crocker Liu. Terry Grissom is already in Austin on the faculty along with Jerry Todd and Bill Hold, who received their Ph.D.'s several eras ago when Chief was still teaching insurance. Thus we have established a small mission school among the cattle barons, oil tycoons, and wetbacks.

#### Job Opportunities

Needed a person to locate and put together acquisition deals in residential and commercial properties. A Masters in Real Estate is preferred, with

at least three years experience in acquisitions. Must have a strong knowledge of tax shelters and limited partnerships and be willing to work on a draw against commission. Realistic first year income is 45K to 70K. Contact Robert F. Cramer, Roth Young Personnel, P.O. Box 13527, Milwaukee, WI 53213, (414) 476-2280.

Real Estate Consultant. An outstanding opportunity is available in the entrepreneurial, as well as intellectual environment of an international real estate consulting practice. The location is Houston, but the responsibility will be national, as an associate of a world-reknown C.P.A. firm. Partnership potential in 24 months. Will be responsible for practice development, staff recruitment and training, as well as sophisticated client assignments. Must have proven expertise in areas of market and financial feasibility, as well as strategic planning in both product and geography, and several other areas of real estate expertise. Should have strong background in dealing with financial institutions. Will eventually develop the firm's capacity in real estate investment counseling and real estate acquisitions. This executive should have been in real estate consulting; some in-line real estate industry exposure desirable. Will have a charismatic personality and possess superb judgment. Must have strong knowledge of commercial real estate in all its aspects. Must be an excellent communicator and possess superb analytical abilities. An MBA is required, preferably from the University of Wisconsin. An outstanding salary is offered. For a detailed discussion, telephone Arnold E. Taras, Barton Sans, Inc., 1800 Peachtree Center, Atlanta, GA 30303, (404) 588-9723.

Consultant for Chicago-based consulting practice for a "Big Eight" C.P.A. firm with a significant real estate industry clientele. Qualified candidates will have 5-8 years of relevant experience as a consultant to the hospitality industry; as a member of operating management in a major hotel concern; or as a lender or mortgage banker who has significant dealings in real estate or hospitality properties. Strong functional skills in finance, marketing, systems, and staff management are required. A competitive compensation is offered commensurate with qualifications and experience. Contact in confidence: Clair B. Landerman, Executive Search Practice, Peat, Marwick, Mitchell & Co., 222 S Riverside Plaza, Chicago, IL 60606, (312) 648-0345.

A financial analyst with a Wisconsin MS degree is desired to establish financial analysis department for a major, national full service real estate company in Atlanta. Will be expected to select computer cash flow programs on time share initially and then go on to develop an in-house system. Will be able to employ an assistant. Experience required. Limited travel. Salary in the range of \$40,000 and negotiable. Contact George Olmstad, Blackshaw & Olmstad (executive search firm), 134 Peach Street, NW, Atlanta, Georgia 30303.

February, 1981

Volume 4, Number 1

### Editors Note

This issue includes notes from the Chief, Job News and Spotlight on the Professor. Spotlight on the Professor was prepared by Dan Rosien, BBA Grad of 1971.

The third biennial alumni seminar has been set for September 24, through Saturday, September 26, 1981, in Madison, Wisconsin. Mary Buczynski and Jim Vernor are co-chairpersons of the Program Committee. They need your suggestions for the program and what licensing agencies should be contacted for education credits. Plan now to attend.

If you want to contribute to the newsletter - promotions, new companies, alumni activities, placement opportunities, professional designations or anything else we can do to improve the newsletter, send your comments to the editor, Mike Rooney, 933 North Mayfair Road, Suite 303, Milwaukee, Wisconsin 53226.

### Notes from the Chief

The second semester is underway, but not without its problems and dilemmas. On the positive side, December graduates did reasonably well in the job market and several went vacationing before job hunting in 1981. Despite the lackluster economy, there seems to be a great variety of opportunity for the spring semester from banks, insurance companies and a few of the larger developers. In addition, Jay Sa-Aadu finished his doctorate and Terry Grissom has just passed his exam on his dissertation so that he will have his Ph.D. in May. However, we graduated more than we admitted, so there are about 35 in the master's program this spring. Rising entry standards for graduate school (1200 points with Dean's discretion for no more than 20% of those admitted) will probably affect real estate more adversely than accounting, since real estate attracts doers and people movers rather than high grade point squares. Thus, enrollments will probably continue well below the previous highs of 50 or more. In addition, the real estate program at the undergraduate level is regarded as the toughest undergraduate major, so that we have better students, but fewer of them. The faculty is applying the 20 credit rule to Construction Administration students, a decision we have appealed on a variety of grounds.

Dean Bock, at the urging of the Executive Committee, reviewed course loads and reduced our faculty allotment to three full-time faculty and three teaching assistants on the grounds that our FTE (full-time student equivalent enrollment) count didn't justify more. Prior to the beginning of the spring semester, the Dean had indicated that we could replace both Dr. Andrews, who is retiring, and Craig Stanley, who is leaving to return to the West Coast. Now we are told that

we will be permitted to replace Andrews only. To complicate matters, Rod Matthews, our law professor, is running for County Executive with a good chance of winning this full-time job. Should that happen, it is not clear that state rules would permit him to teach if he already has a full-time job in government; if he can teach, his salary comes out of our T.A. money, which seriously weakens 550. 550 is our most important course in terms of FTE counts.

The Dean has allotted us enough salary funds to hire an associate professor and if that individual can teach housing policy, and an advanced economics course suitable for Urban & Regional Planning, that would free up \$12,000 for another individual. Unfortunately, an assistant professor today costs at least \$27,000, so we would be \$15,000 short. We are attempting to find some outside research support that amount to fund the gap, and have some interesting possibilities, but it is not clear that that piece will fall into place in time for hiring season. In the meantime, we will have completed interviews in the first 10 days of February and will have to make some hard choices. We are cheered by the super caliber of candidates, but no one candidate can fill all the holes in our program as a result of losing Dick Andrews and Craig Stanley. When new staff comes on board, we will have to thoroughly rethink our course offerings, selection, and pattern. Hopefully, in the next newsletter, we will report our selection and will be able to review the "new look" at the September alumni bonspiel here on campus.

On May 21, a select group of Urban Land Economics professors and some former Ph.D. students, will be holding a seminar to honor Dick Andrews. Participants are preparing papers which will be bound into a hardback volume dedicated to Prof. Andrews, a program that seemed more appropriate than a gold watch and a set of luggage, or even a pedometer and hiking shoes from L. L. Bean.

One innovation that is working well, has been the development of Room 203 into a homeroom for real estate students, graduate and undergraduate. Robbins scavenged 50 student lockers from the UW hospital which is "storing" them in 203 and we found a coffee pot and other creature comforts such as five new easy chairs to form a nucleus of a floating bull session on real estate and the art of beating the Chief's exams without actually studying.

#### Job News

Jim Nieman, 1972 BA Grad, has formed his own company in Chicago, specializing in investment property brokerage; Nieman & Associates, Ltd., Suite 2300, Xerox Centre, 55 West Monroe Street, Chicago, IL 60603.

Steve Jarchow, 1976 MS Grad, has become a full share member of the firm of Freytag, Marshall, Beneke, LaForce, Rubinstein, and Stutzman - a bunch of attorneys strong in real estate investment matters based in Dallas, TX. Steve is our most prolific author and is a regular contributor Real Estate Review.

Nate Mirza, has rejoined American Appraisal Company to run their Chicago operations, and Jerry Schwartz has left Gladstone to become research director of the new Sears real estate conglomerate, The Seraco Group, in Chicago.

Don Hovde, who graduated under Andrews about 1953, was recently made Under Secretary of HUD.

Arvida has a job opening for a project manager in Boca Raton, working throughout Florida. Call Chief if you have 4 or 5 years experience and want to move to a cool climate (45° a few days ago in Boca Raton).

A corporate Real Estate Manager and Real Estate Analyst is sought by a Cleveland based corporation. Masters Degree, Financial Analysis Modeling, and EDP Systems experience required. Growth potential in the corporate framework. \$30,000-\$35,000 starting salary. Contact Susan Holland, the Search Division, Inc., 666 Euclid Avenue, Cleveland, Ohio 44114, (216) 241-7090.

Cletus C. Liedl, BBA Grad 1977, is seeking employment as an appraiser. He has appraisal experience and is willing to relocate. For more information, contact Cletus at 420 Wheaton Street, Chippewa Falls, WI 54729, (715) 723-3810.

Joe Pasquarella, MS Grad 1973, who formed his own firm last year, has moved to plush downtown Philadelphia; offices located at 1420 Walnut Street, Suite 718, Philadelphia, PA 19102 (215) 545-2125.

Speaking of plush, Don Evans, 1964 MS Grad, has new offices that go beyond plush to being downright sinful! Wood panel, ballroom size private offices, each with gas-fired fireplace. Don's new address is 6409 Odana Road, Madison, Wisconsin 53711, same phone number.

#### Spotlight on the Professor

When you meet Rod Matthews you know immediately he is a busy man; an involved man. He is an instructor at the University of Wisconsin, Chairman of the Dane County Board, and a practicing attorney. Rod is a pragmatist who finds that instruction, government, and law are exciting and stimulating challenges.

Rod teaches land use law courses at the University. His goal is to communicate to the students an awareness of land use law and teach them not to be intimidated by the legal system or local government. The nuts and bolts of the courses are zoning, subdivision and environmental regulations. These courses expose the students to regulations, procedures, and the likelihood of the courts upholding such actions. With exposure to the course material, a student is given a conceptual framework in which to deal with, and hopefully, solve land use problems.

Rod began his law practice in 1973 after graduating from Harvard Law School. He is a partner in the firm of Sieker and Matthews, where his wife is also a practicing attorney.

Teaching and his law practice were not enough for Rod. He was also interested in having a more direct effect on the political process and people's everyday lives. His local government provided this opportunity. In 1974, Rod was elected to the Dan County Board of Supervisors.

During his position as a supervisor, he had served on the Commission on Aging, City-County Liason Committee, County Space Needs Committee, Judiciary and Legislative Committee, and the Public Protection and Emergency Planning Committee. In March, 1980, Rod was elected Chairman of the County Board.

His philosophy of government is that it should be reasonable, logical, and consistent, although it may not always be so. Applying this philosophy has tested his interpersonal and leadership skills while trying to adapt county government to the dynamics of our society.

It is unlikely that Rod's involvement with the real estate program at the university will grow beyond his present commitment. His law practice, and in particular, his election to the chairmanship of the county board, will occupy his available free time. However, Rod plans to continually update and upgrade the course content to make it more comprehensive.

If you know of use law situations which you feel may be interesting or useful to the courses, especially those situations which are not published in law journals, please forward them to Rod.

Rod Matthews' Statistics are:

Education:	BA University of Wisconsin with honors in economics - 1968, J.D. Harvard Law School - 1973.
Military:	U. S. Army 1969-1970, Vietnam Vet.
Professional Life:	Practicing Attorney in Madison, Wisconsin since 1973; Lecturer in Property and Land Use Law at the University of Wisconsin; Graduate School of Business, Law School, Department of Agricultural Economics, and University Extension; Wisconsin Real Estate Law Manual Revision Committee.
Public Life:	Member of the Dan County Board since 1974, served on five committees of the Board, elected chairman 1980.
Address:	Business: 119 Monona Avenue Madison, WI 53703 (608) 257-4303  Residence: 418 West Shore Drive Madison, WI 53715 (608) 251-3347

# University of Wisconsin Real Estate Alumni Association NEWSLETTER

July, 1981

Volume 4, Number 1

## Editor's Note

This is an abbreviated edition of the Newsletter. The issue includes News from the Chief, Job News, and an Official Ballot for the Election of President and the Board of Directors. Please return your ballot to Dr. Graaskamp as soon as possible. Make plans now to attend the Alumni Seminar in Madison on September 24, 25, and 26.

If you want to contribute to the Newsletter - promotions, new companies, alumni activities, placement opportunities, professional designations, or anything else we can do to improve the Newsletter, send your comments to the editor, Mike Rooney, 933 North Mayfair Road, Suite 303, Milwaukee, Wisconsin 53226.

## News from the Chief

With the dog days of summer, the real estate program is heating up for a big fall season. Prof. Herman Berkman of New York University will be here as a visiting professor to take the place of Prof. Andrews who retired in May. Prof. Berkman is no stranger to Madison or the Wisconsin tradition as he finished his Ph.D. under Dick Andrews and Ray Penn, achieved tenure at the University of Wisconsin-Milwaukee in Urban and Regional Planning before relocating to New York and the chairmanship of the Urban and Regional Planning Department at New York University. In addition to traditional urban land economics, he will be teaching his specialty in retail trade area analysis, a bit of expertise which will partially fill the hole in the program left by the transfer of Craig Stanley to the Urban Lab at Sacramento State University in California. Prof. Berkman was here for the Andrews Symposium on May 21 and will be back in Madison the end of July to set up shop.

The Andrews Symposium went very well; his Ph.D. graduates over the years, and some of his colleagues over the years, all prepared and presented papers which we are publishing in a small book in his honor, copies of which will be available to you at the Alumni Seminar. Which reminds me - our special guest of honor for the Wisconsin Alumni Award for distinction in real estate has accepted our offer to attend and participate, and I know you will be most pleased with the candidate. He is young, successful as a developer, an innovator who uses all of those techniques of marketing research and financial planning we Ivory Tower types like to talk about, as well as being one of the quiet powers of the Urban Land Institute and former Professional Builder of the Year. Despite that, he is my kind of quality people! Now, if I could only remember his name...

The job market is holding up very well. We were really proud when one of the magnificent seven, Dennis Anderson, hired two of our August graduates, Ted Kostendt and Rick Reuter. Prudential picked up Dave Yale for Minneapolis, and Rick Schaller joined alumnus Bob Gilkison's company, Winker-Gates, a Washington, D.C. developer. Craig Manske joined Trammel Crow in Milwaukee, and Mike Winfield went with Continental Bank. At the last minute, Allen Hill accepted a job as a project officer with Parkwood Development Company in Anchorage, and Bob Tepperman became the first real estate sales trainee hired by Arthur Rubloff Company right out of college.

In February, Jay and Elaine Kramer had a baby boy named Alexander William, which is our first purebred MS graduate development. We have it on good authority, namely his father, that the baby was born with a TI financial calculator in his hand and could do gross rent multipliers by the time he was two weeks old. At 7 lbs. 14 oz., he would qualify as a major project, but we have no statistics on his absorption rate. Another new arrival in Denver is Michael Feiner, now the executive vice president and chief operating officer of MDC Corporation of 36 South Yosemite Street, Denver, Colorado. Greg Leisch is now a senior vice president with Gladstone & Associates. Mike Cohen is the proud principal in a marina and condominium development in Port Clinton, Ohio. Most significantly of all, our alumni president, Steve Elpern, has become a principal and vice president in charge of acquisitions in the new Chicago firm of Continental Equities, Inc.

Please rush your reservations for the fall semester if you want to take advantage of the low priced rooms at Lowell Hall. See you in September.

#### Job News

Steve Jarchow, MS 76, has become a partner of Lincoln Property Company, Las Vegas. Lincoln Property has job opportunities in both development and management. For further information, contact Steve at Lincoln Property, 1500 East Tropicana Avenue, Suite 216, Las Vegas, Nevada 80109. Phone (702) 798-2911.

Mark Hasler, MS 71, has passed the comprehensive exam and was awarded the CCIM designation for commercial investment brokers. Mark has been promoted to Vice President of Commercial Sales and Development for DiVall Investment Real Estate Corporation in Madison, Wisconsin.

Cletus Leidle, MS 77, and Larry Nicholson, have joined the Real Estate Department of American Appraisal Company. Cletus and Larry, at last count, are the 12th and 13th graduates of the program to collect paychecks from American. Has any company hired more graduates than American?

Mark Irgens, BBA 77, has been named a mortgage loan officer for Citizens Mortgage Company in Sheboygan, Wisconsin.

Art Lee, MS 67, has joined the real estate staff of the Bank of Southwest in Houston, Texas.

James Curtis, MS 76, has become a principal of the Bristol Group. According to the announcement, The Bristol Group are registered investment advisors, limited to real estate direct accounts. They are located at 155 Montgomery Street, Suite 300, San Francisco, California 94104. Phone (415) 398-1022.



# University of Wisconsin Real Estate Alumni Association NEWSLETTER

November, 1981

Volume 4, Number 2

## Editor's Note

This issue includes comments from the Chief, Letter from the Alumni President, News from the Regions, Grads on the Move, and Job Opportunities.

The Board of Directors have instructed your editor to get the newsletter out on time or else. The newsletter schedule is as follows:

<u>Deadline</u>	<u>Publish Date</u>	<u>Features</u>
January 10	February 10	General News
April 10	May 10	New Graduate Resumes and General News.
July 10	August 10	Alumni Roster and General News.
October 10	November 10	Bi-annual Report

The last newsletter stated that American Appraisal Company was the largest single employer of the program graduates. This statement was quickly corrected by a phone call from Rick Von Haden, M.S. '72, who informed me that Northwestern Mutual Life Insurance Company has hired 24 graduates as opposed to 13 for American Appraisal. Another interesting observation is that NML has retained 66% of the graduates to only 23% who stayed at American. I wonder if it's the free lunch? It's good to know that someone reads this newsletter, other than my mother! If you want to rebut these statements or contribute to the newsletter, promoting new companies, alumni activities, placement opportunities, professional designations or anything else that we can do to improve the newsletter, send your comments to Mike Rooney, M.S., '64, 933 North Mayfair Road, Suite 303, Milwaukee, Wisconsin 53226.

## Comments From The Chief

The biennial reunion seemed to go very well, so that I can sigh with relief once again. The alumni topic speakers seemed well-matched for contrast and our guests, Blake Eagle, Bob Gilkison, and George Writer, were in top form. Mrs. Ratcliff stole the show for charm and enthusiasm for her new role at the lectern. As near as we could tell, there were 158 different alumni present at one time or another, a damned impressive showing for our guests, for the Deans, and for Doug Shore, the publisher of Real Estate Investor. Gross receipts exceed \$11,000, but the final accounting won't be available until the January 10th issue of the newsletter.

A number of alumni contributed generously to the Alumni Fund while they were here and we picked up a \$500 donation, two \$100 donations, two \$50 donations, and a number of \$25 dues payments to expand alumni resources for scholarships and research.

November will be a critical month for the program, as we will find out if we can successfully attract Mike Miles to the faculty. The Dean, the Alumni, and the school are all improving their offers, but who knows?

For those of you who were not at the Alumni Reunion, we are enclosing the latest roster, which is very expensive to mail. Keeping it up to date is a real hassle but we must find a way to reduce the size to reduce the mailing costs, and we will be exploring printing and computer alternatives. This year the Real Estate Club is sponsoring a deep blue tennis shirt with UW Real Estate and Bucky Badger stenciled on the pocket. This short sleeved T-shirt, with collar and good weight, is available in small, medium, large, and extra large, at \$10.50 postpaid, for those who were not here. Also available is a collection of essays that were presented at a symposium in honor of Dr. Andrews by his Ph.D. grads over the years. The typeset essays are available in hardback for \$15 or paperback for \$7.50. Drop a note to the Chief at Room 118, School of Business, Madison, Wisconsin 53706 if you would like a T-shirt for tennis or reading for a rainy day.

#### Alumni Award For Distinction

The University of Wisconsin Real Estate Alumni Award for Distinction in Real Estate went to George S. Writer, Jr., President of the Writer Corporation in Denver, Colorado. He is a builder who stresses market research, consumer survey analysis, cash flow planning, and risk management, as it is taught in the Wisconsin program. He is a home builder who has weathered the recessions of the mid 1970's and early 1980's, by regrouping his company to meet new trends in urban development. His residential developments in the suburbs are noted for their strong sense of community and neighborhood. Nevertheless, his downtown redevelopment in Denver, Writer Square, won recognition by the American Institute of Architects, as best designed, mixed use, high-rise project in 1981. He has been chairman of the Residential Council of the Urban Land Institute and recognized as Professional Builder of the Year in 1977 by Professional Builder Magazine. At 42 years old, he has been building houses for 16 years, and has built a strong corporate organization in that time, with clear precepts as to the total control the company expects to maintain over product and environment. Despite the emphasis on tight control and liquidity, "Joey" Writer comes over as a folksy salesman, just a little surprised and bewildered by his own success. He blended amiably into the group during all of the Friday seminar. He is a perfect role model for those students who would be developers. He meets every criteria for alumni expectations for recipients of the award.

#### Letter from the Alumni President - Roger J. Juszcak

As your new President, I feel it appropriate that I keep you abreast of what is happening with our Association. I do not view my position as President, but as a member of the team. I am sure you all remember our team projects during Grad School and the role that we all played. Hopefully, we have not forgotten that, and in order to make the Association stronger and better, I will need everyone's help.

Special thanks should go to the past President, Steve Elpern, for his concern and achievements during his tenure. Steve, in my opinion, did an outstanding job and I hope to continue in the same vein. My personal thanks go to the "Chief", the Board of Directors, and the Alumni, for expressing their confidence in me.

I would like to highlight some of the events that occurred at our bi-annual meeting held in Madison on September 24th through the 26th, 1981:

1) We have the support of the School of Business, and in particular, Dean Blakely, of ensuring that the Real Estate Program remains top priority. For those of you who were not at the banquet Friday evening, we have set a goal for raising \$10,000 to be used specifically for research assistants. Both the Dean and Professor Graaskamp are excited over the possibilities of this endeavor. We are on our way to achieving this goal and have raised over \$1,000 to date, plus a major commitment, contingent on our own efforts, from a major financial firm. In order to maintain the quality of education we received, your contributions are needed.

A main concern of the Alumni is appropriation of funds. The majority of the money is used for scholarships with the balance used to publish and mail the newsletter and Alumni directory. The directory alone eats up approximately \$2.25 per copy. When the Alumni Association was originally set up, we wanted to ensure a strong and continual communication network. I trust that you all feel that this has been accomplished. Your funds are needed in order to continue it.

2) Various members are working on a public awareness program. Doug Shore, Publisher/Editor of National Real Estate Investors, was in attendance at our bi-annual meeting. Doug will be publishing a small piece in an upcoming issue regarding our seminar. In addition, next fall, Doug is planning on doing a full scale article on real estate education at the University level and plans on highlighting the University of Wisconsin's program.

3) We will be initiating an update of our Alumni survey. The survey will be sent to all Alumni and in general will ask specific questions on your past and present salary levels and any position changes or promotions, etc. The purpose of the survey is to show the acceleration from leaving Graduate School to a decision-making capacity. It will also serve as a supplement to the furtherance of the Real Estate Program, recruitment, and solicitation or contributions from other companies.

In general, for those of you who are licensed salespersons or brokers in your respective states and attended the seminar, you may wish to contact your state education accreditation committee to seek credit for attendance. Jim Vernor was successful in obtaining seven hours of credit from the American Society of Appraisers. I think this is important to note, as it lends credibility to the Real Estate Industry, that we are serving a useful function.

Remembering our team projects in school, and how they were funded, leads me to my final comment. For those of you who are thinking of research projects for your company, it may be appropriate for you to consider using a graduate student currently in the program. This not only frees your time, but gives a graduate student "real world" experience, and helps fund a productive report.

I look forward to working with all of you for the next two years, and trust that we can make the Alumni Association continue in a progressive manner.

#### News from the Minnesota Region - Dianne M. Orbison

On August 9th, 25 alums and friends gathered at Golden Lake, North of St. Paul, for the Minnesota region's third summer picnic. After a few beers and brats, we ended the day with a softball game. The B. Abel team soundly defeated the D. Orbison team.

In addition to realizing how out of shape we have become, the picnic provided an opportunity to meet new alumni in the area. Those alumni who attended the picnic and are new to the area within the last year include: Bill Abel, Stacey Dibbell, Jeff Wieckert, and Dave Yale. Other recent additions to the Minnesota region since the picnic include: Paul Boneham (MBA-Finance), Richard Goldin, and Steve Robinson.

Our next social gathering will be at the December 4th & 5th Badger-Gopher Hockey Series. We will meet at the Richfield Shakey's for pizza and beer before the Saturday night game.

If you are in the Twin City area and want to get plugged in with the program's alumni, call Dianne at work during the day (612) 631-7472, or at home (612) 920-7870. Heavy breathers need not apply.

#### News from the Wisconsin Region - Mary Buczynski

There are 40 graduates in the Milwaukee area who meet on a quarterly basis. These meetings are called round tables, and are held at one of the graduates offices. A specific topic is discussed and afterward, those who care to go out to dinner do so on an ad hoc basis. The two round tables prior to the Madison Seminar zeroed in on creative financing and shopping centers. On Friday, October 30, 1981, the 30 program students participated in a field trip to Milwaukee which included a tour of the new Hyatt Regency Hotel, and discussions with one of the country's leading hotel architects, developer Art Py. This was followed by a tour of the Rouse Grand Avenue Mall, a steak lunch at Northwestern Mutual Life, discussions with Author-Developer, George Bockl, elegant dinner with 20 of the Milwaukee Graduates at Major Goolsby's, and over night at the Hyatt. Saturday included a tour of Bishop's Woods' suburban office development, and back to Madison for the 52-0 defeat of the Northwestern Mildcats.

Those who want to be plugged into the Milwaukee group, call Mary Buczynski at work (414) 271-1444 Extension 4492, or at home (414) 483-0739. Heavy breathers welcome.

The other seven regions did not report any news. Apparently, nothing is happening in other regions of the country.

#### Grads on the Move

Past Alumni President, Steve Elpern, M.S., '74, James Smith, M.S., '77, and Charles Chandler, M.S., '80, have recently joined Continental Equities Incorporated. Continental specializes in the acquisition of major income producing properties anywhere in the continental USA.

Mike Hasenstab, '73, has been named Development Director of American Medical Buildings located in Milwaukee.

Ron Smith, M.B.A., '73, and J.D., '78, has formed a new general practice law firm with Chuck Chvalva and John Koberstein, with the unique firm name of Koberstein, Smith and Chvalva located in Madison, Wisconsin. Because of Ron's education in the program and experience with Ford Motor Credit Company as a real estate loan underwriter and credit analyst, he is specializing in Real Estate Law. All you brokers and syndicators who may need some help in staying out of the slammer keep Ron's firm on file.

### Job Opportunities

All the following job opportunities have been contributed to the newsletter by Jim Smith, M.S., '77, of Continental Equities Incorporated:

Michael Laurie & Partners (a major London based real estate firm) seeks two individuals to work in the investment division of their New York office.

Investment Manager - 3-5 years experience in acquisition/brokerage of major institutional quality real estate.

Investment Analyst - recent Master's graduate or more experience in investment analysis.

Contact: Mr. Nicholas J. Principe/President  
Michael Laurie & Partners  
500 Park Avenue  
New York, New York 10022  
(212) 688-0933.

# University of Wisconsin Real Estate Alumni Association NEWSLETTER

February, 1982

Volume 5, Number 1

## Editor's Note

This issue includes a Letter from the Chief, News from one Region; Minnesota, and Grads on the Move.

Please contribute to the Newsletter, promoting new companies, alumni activities, placement opportunities, professional designations, etc. Send your information and comments to Mike Rooney, 933 North Mayfair Road, Suite 303, Milwaukee, Wisconsin 53226.

## Letter From The Chief

The report for second semester is mixed in terms of successes, progress, and setbacks for the program. The good news is that the Real Estate Department has been the beneficiary to two Bascom Hill memberships, an exclusive group of those who subscribe to give \$10,000 or more to the University and who may designate the department beneficiary. Andrew Singer, of New York, a real estate alumnus and partner in Ackerman & Singer, has given a \$1000 scholarship for the next ten years to a real estate student, preferably one with some recognized disability. Bob and Jean Hastings have also directed \$1000 a year for real estate scholarships from their Bascom Hill grant. Bob is the president and major stockholder of Foremost Guaranty Company here in Madison, and a Wisconsin alumnus. The School of Business has initiated a major fund raising campaign and may contact you accordingly, concurrent with the real estate alumni effort to generate funds for a research position. Since the real estate alumni have a pledge from Nathan Perlmutter to match funds raised by the real estate group, please send your contributions directly to the Real Estate Alumni, unless of course, you wish to join the Bascom Hill Club. The Dean has hired a fund raiser coordinator by the name of Ann Benisch, who will send you a brochure and pledge form about March 15 with a late spring reminder. Ignore the brochure and send your contributions to the Real Estate Alumni.

Enrollment in the spring semester is slightly up and we have 41 in the Master's program; plus we have two excellent recruits coming in the Ph.D. program this summer. Undergraduate enrollment is staggering with all the basic courses overflowing into larger classrooms. The 857 course has a wide range of real life problems to work on and the Real Estate Club is very well attended. The first session was on Historical Property Restoration and the Tax Law, and was a 2-1/2 hour, Saturday morning seminar at the Edgewater Hotel, organized and produced by two students, Jim Kane and Reed Stvan, ably supported by guest speaker, Mike Young. Speaking of Mike Young, the Institute of Real Estate Management has combined Tony Downs, Blake Eagle, Claude Ballard, Gene Burger, Richard Hansen, and Peter Kelly with Mike Young, Dick Garrigan, and myself, for a two day seminar on Pension Fund Real Estate Investment and Management. The schedule is Chicago, April 22-23, Los Angeles, June 3-4, New York, June 24-25, San Francisco, July 15-16, and Houston, July 29-30. Should be an excellent program.

In the slow progress department, we are hoping we can solve the dilemma of adequate salary and employment for both Kerry Vandell and his wife in time for the fall semester. Failing that, we have three very interesting prospects at the assistant professor's level as a fallback position for negotiation in April. Moving anybody these days, given the cost of housing and mortgage rates, is a most difficult problem. The University will receive sharp budget cuts from the governor this year, so that resolution of the vacancy left by Dick Andrews and Craig Stanley, is becoming critical. The delay in accomplishing our objectives must be considered a setback.

Jobs have come a bit slow for the December grads, although 50% are placed at this time - Jim Purinton with Prudential, Phil Butler with a local hotel chain; but at this writing, Ryan Toole and Mike Arneson, are yet to be heard from. Steve Ma returned to Wells Fargo at a substantial increase in salary and responsibility. Then Minneapolis' chapter with Diane Orbison has been particularly helpful in finding spots in that popular community, and we enjoyed a major dinner with the alums and many of their immediate superiors at the Marquette Hotel on February 11. The Wisconsin mafia in Minneapolis is certainly having an impact in their town. The Chicago chapter is presently shouldering the responsibility for our biennial real estate field trip for April 22-24. This kind of support is particularly cheering during a long winter.

#### News From The Minnesota Region

Fourteen alumni with spouses and friends attended the December 4th and 5th Badger-Gopher hockey series. The largest group attended the Saturday night game, after gathering at Shakey's Pizza Parlor, only to watch the one loss of the series.

After many attempts to attend local alumni activities, Bob Soules (BBA '69), came out of the woodwork to meet other alums and cheer on the Badger's hockey team. Bob works in 3M's Corporate Real Estate Department.

Tom Johnson (MS '80), who started his career in the Twin Cities with MEPC and later moving to its Dallas headquarters, visited the Cities and Bill Abel (MS '80) over the holidays. While here, Tom also negotiated a "mutual understanding" for the purchase of a \$10 million piece of Minneapolis for the British pension fund.

On February 11th, Professor Graaskamp spoke to area alumni and their associates at the Marquette Hotel. This seminar was organized in response to the request of several area employers of alumni to meet with Professor Graaskamp. After dinner, Professor Graaskamp presented a study by Daniel Yankelovich which predicts 10 changes in the American culture during the next 5-10 years. The Chief indicated how these changes will affect real estate development. Thirty-two out of the 51 attending the seminar were alumni. Out-of-town alumni included: Jim Martell, Fraser Gurd, Jean Davis, and Mike Arneson (Madison), Ruth Spiegel (Chicago), and Tom Johnson (Dallas).

#### Grads On The Move

Lynn N. Woodward, Ph.D. '79, president of the appraisal firm American Real Estate Analysts, Inc. of Wichita, Kansas, has received his M.A.I. designation.

Jim J. Curtis, MS '76, partner in the Bristol Group in San Francisco, sent the following information:

Frank App of App & Edwards, has received his MAI designation from the American Institute of Real Estate Appraisers. App & Edwards is a full service real estate firm active in the management, development, and valuation of real estate.

Wayne Batavia has been promoted to Vice President of Genstar Pacific Investments.

Tom McCahill has joined Mutual of New York (MONY), as an investment officer. He is responsible for acquisitions and joint ventures in the western region of the United States.

Jack Swanson and Rich Boehm successfully coordinated the 4th San Francisco U.W. Real Estate Party. Frank App's accordion led the group in Christmas carols and provided the music for the polka dancers. Over 90 people (only 15 U.W. Grads) participated in an afternoon of food, booze, dancing, Christmas carols, and rowdiness. A few diligent souls made an appearance at the office, but most brushed up their negotiating skills with a few games of bar dice and beer at Harringtons. Next year's party is planned for the afternoon of December 17, and hopefully will be a kickoff party for the Rose Bowl.

Tim Warner, MS '75, has joined the staff of Security Spring & Boe, a Milwaukee based real estate syndicator, as Director of Acquisitions.

Dean Larkin, MS '81, has joined The Rooney Group, Inc., a Milwaukee based real estate consulting firm.

Doug Heston, MS '78, and Robert A. Long, of The Rooney Group, have formed the firm Robert A. Long, Heston Associates, to specialize in the syndication of real estate. Their first prospectus should be on the street in a couple of weeks.

#### NEWS FLASH!!!!!!!

The Real Estate Department struck out in its pursuit of a nationally known professor because School of Business salaries are not competitive when it comes to real estate. In consultation with Roger Juszczak, Steve Elpern and others, it was decided to create a partially funded Real Estate chair to augment future offers to new professors with summer research salary and expense allowance. A well known general contracting firm in Wisconsin has made the first \$20,000 contribution to initiate the chair! In addition Larry Cleland, retired operating officer of Baird and Warner, has graciously consented to spearhead the drive in Chicago among corporate employers of our Alumni. The Chief is furious over Business School attitudes relative to competitive offerings and is rolling -- will keep you informed.



# University of Wisconsin Real Estate Alumni Association NEWSLETTER

October 1, 1982

Volume 5, Number 2

## Editor's Note

This issue includes a Letter from the Chief, News from the Minnesota Region, Grads on the Move, and Job Opportunities. It has been suggested that the Newsletter be expanded to include recommendations for worthwhile reading. This could include real estate texts and periodicals, as well as writings from related fields. No detailed book reviews are advocated. Rather, any alumn who has read anything particularly helpful or thought-provoking, is invited to send in the name, author, and source of the work, along with a brief description of the contents so that other grads might share in it.

One article every alumn should read is the excellent "Reading, Riting and Real Estate" found in the August 1982 issue of the National Real Estate Investor.

Please contribute to the Newsletter, reading recommendations, alumni activities, job opportunities, professional designations, new companies, etc. Send your information to Mike Rooney, 933 North Mayfair Road, Suite 303, Milwaukee, Wisconsin 53226

## News From The Chief

The Fall semester has started with a rush with something old, something borrowed, something new and something blue. The new was represented by Assistant Professor Marian Wolfe, who is teaching Business 557 and will further refine the spring course on Market Research while adding some new courses in Housing Policy and the historical development of urban land economics theory. During the summer she bought a handsome Colonial Cape Cod in Shorewood and married her husband, Scott, who is a statistician and computer systems buff. The Alumni Association contributed \$1,500 to the various costs of moving and resettlement that are not covered by the University program. Another new addition to the Real Estate Department teaching staff is Jennie Mitnacht, our English instructor, who has taken the place of Fran Larson, who passed away suddenly in June as a result of a stroke. Jennie has prepared more 856 papers than anybody else in the world and helped Fran write the original manual. Not only will she grade the 856 appraisal papers, but in addition, she will grade 850 case problems in the spring in order to sustain sensitivity to the details of good writing style.

The old faces include not only Rod Matthews, Mike Robbins, and the Chief, but in addition some new old faces have reappeared. Robert Gibson in back after twelve years in the wilderness to pursue a Ph.D.; Allen Hembel is back to begin a Ph.D. while continuing his work at CUNA. The other Ph.D. candidates and residents include Kim Peterson, Lee Shilton, and Mike Robbins, all of whom should graduate by June of '83.

Despite tough enrollment standards with a hurdle of 1200 points for graduate admission, there are 51 persons in the MS program this fall with 34 in the 856 course. The income property finance course has 110 persons, and there are another 65 in Residential Finance. The basic 550 course has about 185. School of Business faculty are planning to raise admission standards further rather than just work harder; this is done to save the quality of education which has become a euphemism for the quality of life for the professor.

The best news is your marvelous response to the fund raising drive. At this time, we have over \$15,000, of which approximately \$4,800 is matching contributions from employers. The final computer output from the Foundation will be available by the end of September, at which time we will break the bad news to Norman Perlmutter at Heitman. Included in the totals are five memberships in the Bascom Hill Society whose members pledge \$1,000 cash or more each year for ten years. These new members include Andrew Singer in New York, Jerry Schwartz in Chicago, Peter Hitch in Minneapolis, and Mike Feiner in Denver, as well as Mike Morey whom we reported earlier. Mike Casey, alumni administrator, has contributed his hours to the fund as has alumni researcher and teaching assistant, John Drier.

The alumni list has been loaded on the North Star mail management program at Landmark. The computer then put everything in alphabetical order and in a format which will allow us to significantly reduce the bulk and mailing costs of a new alumni directory which will be mailed out in October. We have 50% response to the questionnaire; please send your questionnaire to improve the response, and if you have lost the questionnaire, send us a postcard. The annual fish dinner will occur September 12th at Minnick's Top Hat with more than 100 people in attendance. Chief had only two fishing days this summer, but fortunately these expeditions produced a number of 20 pound King salmon on Craig Manske's 37-foot cruiser, and the name of it is Freedom.

News from all over includes word that Vicki Mabrey is now training to be a reporter on CBS news; Allen Anderson has transferred from First of Minneapolis to Mercantile Bank in Dallas where he will manage their real estate investment. Thus, there may be a good opportunity at First of Minneapolis and it's possible that Allen may be looking for an assistant in Dallas. MGIC is looking for an experienced real estate analyst for commercial property investments in their Milwaukee office. There are two opportunities for commercial property appraisers in Houston.

We are presently missing current addresses for the following alums (can you blow their cover): David Agateer, Bill Arden II, Karl Birkenstock, Douglas Hill, Dave Karl, Donald Kaster, David Meltz, Mark J. Olson, and Joanne Robinson.

#### News From The Minnesota Region

Nina Magnus, summer intern at Towle Real Estate Company, inspired 15 alums with friends to gather on July 20th to watch the Brewers at Minnesota's Crockpot, our non-airconditioned Metrodome Stadium. The Twins won the game, but the Brewers won the brawl.

Fifty-seven (27 alums) attended the 4th annual picnic on August 5th at Lake Cornelia Park in Edina. The large turnout was due to several reasons which included the presence of the guest of honor, The Chief, and the traditional baseball game. This year's captains were Rick Goldin (BBA '78) and Marc Cella (MS '82). At the request of Frank Dunbar (MS '75), third baseman, who would not let runners tag third base for fear of knocking over his cup of beer, the box score was 8-5 .

The next Minnesota gathering will occur when Prof. Graaskaamp brings the students up for the biennial Twin Cities tour, November 4-6.

#### Grads On The Move In Minnesota

Mike Arneson (MS '82) was hired by Opus Corporation (formerly Rauenhorst Corporation) as a Real Estate Representative. Mike joins Bryant Wangard (MS '79), Investment Manager, at Opus.

Marc Cella (MS '82) has joined United Properties, the development division of The Northland Company, as a Project Development Manager.

Dick Lincoln (BS '69), after working several years with a securities firm, has returned to the role of developer as Vice President with Darrell A. Farr Development Corp. He is currently working on a \$60 million PUD in a western Twin Cities suburb.

Neil Lewis (MS '79) has joined Management Forces, Inc.

#### Grads On The Move

David W. Groth (MS '73) and David Pietka (MS '74), are partners in the firm of Palmer, Groth and Pietka. They are located at 310 S.W. 4th Avenue, Suite 612, Portland, Oregon 97204, (503) 226-0983. Both graduates have received their MAI designations.

Mark Irgins (BBA '77) has been named Development Director for the Oscar J. Boldt Construction Company of Appleton, Wisconsin. Boldt is the largest, or one of the largest, (depending on who is counting) construction firms headquartered in the State of Wisconsin. If you have development ideas contact Mark at the Boldt offices at P.O.Box 54912, Appleton, Wisconsin, (414) 739-6321.

Jim A. Magnanenzi (MS '72) has been transferred by Northwestern Life Insurance Co. from Houston to the Real Estate Investment Office located at 100 S. Wacker Drive, Chicago, IL 60606.

Frederick M. Marks has been promoted to "Associate" of the firm The Falick/Klein Partnership. They are architects and planners located at 3000 Wesleyan, Suite 350, Houston, Texas 77027.

Gene S. Thompson (MS '75) is a staff appraiser for the Iowa Appraisal and Research Corporation of Des Moines, Iowa. Gene wrote to inform us that he passed the comprehensive exam for the MAI designation and he expects to receive his MAI in October or November. He will add that to his SRPA and ASA designations.

Lynn Woodward (Ph.D. '79) President of American Real Estate Analysts, Inc., was a visiting lecturer in the University of Minnesota Executive Series in Real Estate. He presented two one-day seminars in April: "Commercial and Office Condominiums" and "Real Estate Professional Improvement Workshop". Lynn Woodward said that the office condominium seminar is an outgrowth of his last two and one-half years of research on office condominiums throughout the Midwest and why they fail and succeed. The seminar was attended by over 45 Minneapolis developers and lenders.

Jim Curtis (MS '76) sent us the following news from the West Coast:

Paul Denis has recently become associated with Coldwell Bankers Capital Management arm in San Francisco. Initially he will be concentrating his activities in the appraisal and consulting area.

Bill Hafner has joined Bank of America Appraisals in San Francisco from Heitmann in Chicago. Bill is the Manager of the San Francisco office. BA Appraisals offers a full range of real estate valuation and consulting services for corporations, government agencies and private investors.

David Law has joined Union Bank's real estate investment advisory group. Dave will be seeking out opportunities for foreign investors from the Far East.

Tom McMullan has joined the real estate development arm of the Carl Swenson Company in San Jose, California. Tom will be responsible for developing an 85 acre research and development park.

#### Job Opportunities

Financial Business Consultant - Southeast Wisconsin public accounting firm seeking 4+ years experience in overall financial classification and evaluation of small-medium size business. Experience in appraisal or valuation firm a plus, CPA preferred. This is a new position that has been created to help broaden client base. To \$35,000. Contact: Executive Recruiters, 933 North Mayfair Road, Milwaukee, Wisconsin 53226.

Laventhol & Howath, a national CPA firm with international affiliates, is seeking to hire a recently designated MAI for a middle management position in its New York office. The successful candidate will independently undertake complex assignments related to a broad spectrum of income-producing properties. Responsibilities will include valuation, market, feasibility and highest and best use studies on behalf of fee clients. Reporting to the Director of Real Estate Consulting, this individual will also assist in client solicitation and practice development. Moderate travel will be necessary.

The firm offers a salary and benefits package commensurate with past achievements and experience. Apply by sending resume with salary history, in complete confidence to: Mr. Richard R. Shima, Laventhol & Howath, 919 Third Avenue, New York, New York 10022.

# University of Wisconsin Real Estate Alumni Association NEWSLETTER

February 15, 1983

Volume 6, Number 1

## Editor's Note

This issue includes a letter from the Chief, Letter from Alumni President Roger Juszcak, News From The West Coast, News From Minnesota, News From The Wisconsin Region, News From The Northeast Region, News From The Chicago Region, and other news about alumni.

Two articles that I've read since our last Newsletter that I highly recommend as explanations of the current economic condition of the country are:

"The Molting of America", Forbes, November 22, 1982, p. 161.

"Profiles of Felix George Rohatyn-Allocating Sacrifice" New Yorker, January 24, 1983, p. 45.

As reported in Roger Juszcak's letter, an overwhelming number of the respondents to the alumni survey requested improvement in national communication to the alumni. You have a vehicle in this newsletter, but precious few of you contribute to it. Perhaps its time for you to do so. For those of you who want improvement, this is a challenge from your editor to put up or shut up.

Please contribute to the Newsletter, reading recommendations, alumni activities, job opportunities, professional designations, new companies, etc. Send your information to Mike Rooney, 933 North Mayfair Road, Suite 303, Milwaukee, Wisconsin 53226

## Letter From The Chief

The second semester is already rushing by with several interesting innovations. First of all, the department bought four IBM PC computers and related software, plus a printer and modem to communicate with WITTS. \$6,000 of the money came from your alumni contributions in '82, \$2,000 came from the Carley Capital Group and Gordon Rice, and the balance came from interest on the Paul E. Stark Fund. In addition, Marshall Erdman contributed four specially designed lockup cabinets so the Real Estate Department has its own personal computer lab in Room 203. Robbins has created an experimental course called Computers and Real Estate Analysis which is teaching 16 students who will graduate in May. The course will be repeated during Intercession financed with interest from our Endowed Chair Fund. Contents include teaching the students to model using the Supercalc spread sheet system, the use of a variety of analytical models including the Palmer-Berge System advocated by CCIM (incidentally this asset management system sells for \$1900, but was donated to us for \$100 each). In addition, Robbins is teaching students how to evaluate hardware and software for different tasks. This will become a required course in the Master's program. Three students are working with a team of graduate students from the UW Wisconsin/Milwaukee School of Architecture to explore several potential downtown Milwaukee redevelopment projects which will spin off the new downtown mall by Rouse. The Real Estate Club led by John Cavan has been particularly aggressive this spring. It has already had a field trip to Milwaukee to study the Grand Avenue Mall, hosted by

the Milwaukee Alumni Group, since John Seifert of that group has played a major part in the financing of the project. They have also sponsored a "dress for success" session with some local clothes stores, and several sessions on marketing and brokerage are planned, together with a spring trip to Chicago hosted by our ever resourceful Chicago Alumni.

We are also beginning an aggressive continuing education program here for middle management of real estate finance and development companies and you will be receiving a special mailing on that a little later. One highlight is a seminar by Gordon Blackadar of Metropolitan Life Insurance on "Dynamic Capitalization" which will occur May 10-15. This is the first time it has been offered to the public. Watch for it.

December graduates placed well - Rob Aldrich went with AT&T pension program in New York, Rocco Maggio joined Heitman Financial, Mike Krepfle went with First Chicago, while Vance Antoniou sent touring in China and Rob Curtis went touring in Chicago, Jim Haft returned to Georgetown Law School and everybody else returned for the spring semester. Dan Volpano relocated to Richard Ellis & Company.

You should be interested in the comparison of the Wisconsin Real Estate program to West Point in the following commentary from the November 1982 edition of The Real Estate Investment Letter.

#### REIL COMMENTARY:

THERE OUGHT TO BE A "WEST POINT OF REAL ESTATE"

Congress is talking about establishing a "West Point of Peace". Harvard Business School (HBS) is often called the "West Point of Business." Why not a "West Point of Real Estate?"

I'd like to see it. Maybe I'm biased. I graduated from both the original West Point and the "West Point of Business". But in addition to whatever biases I picked up, I've also had a thorough opportunity to the the "West Point" approach to training as a student. And to test it in the real world as a graduate.

#### What A "West Point" is

Used as a generic term, "West Point" seems to refer to a school for young people...as opposed to a continuing education program for mature adults. It also means focus. The Military Academy has one purpose...to train Army officers, HBS, to train business leaders.

It also tends to mean success. Both West Point and HBS graduates are disproportionately represented in the top ranks of their respective fields. Whether or not a "West Point of Real Estate" would be successful would depend on the people in charge. But if you focus on real estate, young people can be programmed from the start.

#### It May Already Exist

Actually, there may already be a "West Point of Real Estate." The University of Wisconsin's real estate programs are well-regarded. An article ("Real Estate Renaissance Man Seen Emerging") in the August '82 National Real Estate Investor magazine (6285 Barfield Road, Atlanta, GA 30328) also listed the University of Connecticut, Florida State, Georgia State, SMU Texas, and UCLA as top real estate schools.

I suspect the University of Wisconsin and the others are well along in developing successful real estate training. But I'll make some recommendations as if they didn't exist anyway.

### Graduate Program Better

I think a graduate program would be better than an undergraduate program. The reason being undergraduates don't know what they want to do. My West Point classmates and I are cases in point. After four years of being groomed for military careers, I and most of my West Point classmates became civilians.

Furthermore, if possible, the admissions department of my proposed graduate program should shoot for older students. The average Harvard Business School student has about five years of post-college work experience when he enters HBS. That makes for a richer classroom experience as well as a stronger commitment to the field. I'm still in business, as are the vast majority of my HBS classmates. Late twenties is about as high as you can go, though. After that, too high a percentage are too involved in families and positions of responsibility to devote a year or two to full-time study.

The "West Point of Real Estate" should however, take a cue from Harvard and have "executive education programs." Harvard has a variety of short courses for middle managers, upper managers, and small business owners. Each is tailored to the needs of the particular group. The small business program, for example, comes in several brief bursts in recognition of the inability of small business owners to be away for extended periods. Aside from being a good money-maker for the school, the executive programs spread appreciation of the program among people in high places in the industry.

### Strong Ties With Industry

The "West Point of Real Estate" should have extremely strong ties with the real estate business. At West Point, nearly all the instructors were regular army officers. Teaching at West Point was just one of a stream of assignments. Most had either just been field commanders in Vietnam, or left West Point to go to such assignments.

At HBS the professors are true professors. But the actual case history method used there and its appetite for new material requires constant input from the business world. HBS professors are also heavily into consulting. And the executive education program's students keep the professors from going too ivory tower.

### Mostly Required Courses

The program of instruction should be mostly required courses. I'm well aware that students don't like required courses. But that was an important ingredient of both West Point and HBS. When I went to West Point, all but four courses (one elective each semester junior and senior years) were required of all cadets. At HBS, all students take exactly the same first year courses and one second year course.

### The Alumni Network

Non-West Point army officers grouse about the "West Point Protective Association" and non-HBS businesspeople about the Harvard Old Boys Network. Both are very real and very useful but not for the sinister, cynical reasons outsiders suspect. And neither stems solely from sharing the same geography for a couple of years. The common experiences of graduates of institutions with many required classes (and other required experiences in the case of West Point) make for quicker rapport, trust and confidence in the other graduate's abilities.

### Separate Identity

I think the "West Point of Real Estate" should have a separate identity. For example, Harvard Business School as opposed to "the business program at Harvard." Other examples include the Cornell Hotel School or the Wharton School (University of Pennsylvania's business school). I'd like to see, say, the University of Wisconsin establish the "Wisconsin Real Estate School" or the "Graaskamp School of Real Estate" (after James A. Graaskamp, a Wisconsin professor...actually, it's usually a wealthy donor rather than a professor who gets his name on the school).

### High Standards

The school should be tough. West Point and HBS certainly are. Not that a real estate school can or should harass freshmen the way they do at the service academies. Rather its academic standards should be demanding. The obvious reason is that it's crucial to the success of the school's mission to turn out leaders who are prepared for a tough world. Less obvious are the healthy bonds of adversity and pride instilled in the "victims" of such a system.

### Go For It

To those schools already known as good real estate schools, I say this. Don't settle for being the best or one of the best real estate programs in the country. Rather strive to become as important to your field as the various "West Points" are to theirs. Study the methods of the U.S. and foreign schools which have become that important in their fields. Get a separate identity.

Some readers might like to attend such a school. For now, I refer you to the schools mentioned above. Other readers might like to be the aforementioned "wealthy donor". You might contact one of the schools mentioned...or contact your own alma mater and invite them to start from scratch.

I envy those who have graduated from one or more of the highly-regarded real estate programs. I had to get my real estate education from the school of hard knocks, reading, and a zillion seminars. I wish those programs and any others I may have overlooked the best. I hope they will become stronger and more important. The graduates, the schools, and the industry will all be the better for it.



John T. Reed, Senior Editor of the *Real Estate Investing Letter*, is a real estate investor, writer, seminar leader, and speaker with direct experience in real estate brokerage and property management. Jack is the author of the noted *Aggressive Tax Avoidance for Real Estate Investors*. He is a graduate of West Point and the Harvard Business School.



## Letter From Roger J. Juszczak, President of UWRE Alumni Association

1982 was a very productive and encouraging year. A number of goals that had been set were achieved. Some are still in the works and new ones have been incorporated. Our fund raising effort was extremely successful in that over \$100,000 have been raised for a partial funded chair, scholarships, and research. The Alumni members had contributed in excess of \$17,000 with the balance coming from such folks as Urban Investment, Heitman Financial, Verex, and other donors. Thanks to all of those who contributed, and to those who haven't, your money would be appreciated.

We previously sent to you with our annual directory a copy of the article 'Reading, Riting and Real Estate' which furthered the publicity for the real estate program at Wisconsin. I hope that you found it fair and informative. Our co-sponsored seminar with National Real Estate Investor has been postponed due to the economic cost-cutting for corporate travel and a lack of interest received from our test mailing. Steve Lewis is still encouraged to schedule a seminar in the future when, hopefully, times are better.

The results of our Real Estate Alumni Survey are in and some interesting results were obtained. A highlight of some of your responses are as follows:

1. An overwhelming majority of the alumni believe that Wisconsin has a high-quality real estate program; 58.8 percent gave it the highest possible rating and 92.1 percent rated it a 4 or 5 on a 1 to 5 scale.
2. When asked for their opinion about ways to further improve the image of the real estate program, respondents listed the following suggestions (in order of importance):
  - #1 Improve the depth and quality of teaching.
  - #2 Increase marketing of the program via publicity in magazines, newsletters, and research papers.
  - #3 Sponsor seminars for continuing education.
3. The alumni believe the following schools are most successful in placing graduates in the real estate industry: #1, University of Wisconsin; #2, Harvard University; #3, Stanford University; #4, University of Pennsylvania (Wharton); and #5, University of California at Berkeley. Clearly, the alumni see the top-rated business schools as their chief competition for real estate jobs.
4. The Wisconsin Real Estate Program is regionally oriented: 51 percent of the graduates accepted their first job in Wisconsin (34.9 percent) or Illinois (16.1 percent); 46.8 percent of the alumni currently work in Wisconsin or Illinois and over one-half of the graduates presently work in either Wisconsin, Illinois, or Minnesota. Most of the real estate students lived in Wisconsin prior to studying real estate at Madison.

5. Eighty percent of the alumni selected Wisconsin for their real estate education based on its reputation in the field. Reputation seems to be a key determinant of program selection and image.
6. The real estate alumni are young, but they have attained job responsibilities beyond their years. Despite a modal age of 30, 42 percent of the respondents hold the organizational rank of vice president or above; 22.7 percent are either a chairman, president, or partner of their firm. The average reported annual compensation (1981) for alumni was slightly over \$48,000.
7. Sixty-three percent of the alumni are dissatisfied with the effectiveness of the University of Wisconsin Alumni Association. Fully one-third of the alumni gave the Alumni Association a rating of 1 or 2 on a 1 to 5 scale (1=low, 5=high). When asked for suggestions to improve the effectiveness of the alumni group, the respondents overwhelmingly said: "schedule more meetings/gatherings, there aren't enough now" and "improve national and local communications to alumni."

I am quite discouraged with the survey result that indicates Alumni dissatisfaction with our organization. In particular, when a response was solicited from the alumni on how to improve the Association, over 56% of the respondents did not answer the question. Clearly they felt criticism was all right but had no idea on how to improve. I am sure that if we allocated 15 minutes a week at minimum to give some thought on how we all can better meet the needs of our organization, we would all feel committed to it.

On some higher points, we are organizing our bi-annual seminar to be held October 20 - 22. Anyone who has some suggestions or ideas for the upcoming seminar, it sure would be nice to hear from you since we are presently in the planning stages. We are also working on additional publicity for the real estate program at the University of Wisconsin. To that end, I have accepted appointment to the Wisconsin Business Alumni Board which is a group of business alumni whose goals and objectives compliment and duplicate those of the real estate alumni. It is to our advantage and to that of the graduate school to further our reputation in these times when cost-cutting and funding shortfalls are getting top bill.

This past year has been extremely time consuming for myself and the board directors in attempting to establish goals and objectives for the organization. We seek your comments, criticisms, and whatever for the real estate program. I look forward to hearing from you.

News From the West Coast as Reported By Jim Curtis (MS '76):

Steve Jarchow (MS '76) has been promoted to Partner/Vice President of finance for the western region of Lincoln Property Company. He will be responsible for coordinating financing of the multi-family and commercial projects within this region.

Kurt Tetzlaff has been named Director, Business Development for the Koll Company in San Diego, California. Koll Company is a construction company reporting 1982 volume in excess of \$175 Million. Kurt graduated in 1976 with a degree in Construction Administration and received a Masters in Marketing in 1981.

Of interest to some people, may be a publication called "Strategic Planning for an Emerging Company". Its focus is directed to anyone starting a company or who is responsible for running a business. The publisher is Addison Wellesley.

News From The Minnesota Region as Reported By Dianne M. Orbison (MS '77):

Bill Abel (MS '80) organized the annual alumni gathering at the Wisconsin/Minnesota hockey series held in October. Alumni and friends valiantly cheered the Badgers only to watch the team lose the series.

The Chief brought the troops to the Twin Cities on November 4-6 for a tour of several real estate developments. Alumni who participated in showing their firms' state-of-the-art projects included: Marc Cella (MS'82), Bryant Wangard (MS '79), Mike Arneson (MS '82), Frank Dunbar (MS '75), and Jeff Wieckert (MS '81). On Friday of that weekend, fourteen alumni with friends met with the Chief and students at an Italian restaurant along the revitalized banks of the Mississippi River. Dominium Group, Jack Safar (MBA '75) and Dave Brierton (MS '70), provided the barley and malt.

Rick Goldin (BBA '78) has proposed the next alumni gathering take place on the night of February 5th at Afton Alps, a local downhill ski operation. Alumni will meet at the Chalet's main bar to loosen the ol' muscles before attacking the moguls.

Minnesota alums have also noted the article "The Semantics Debate: Highest and Best Use vs. Most Probable Use" authored by Terry Grissom (Ph.D.) in the January 1983 Appraisal Journal. Terry, an MAI, is an assistant professor of real estate and urban land development at the University of Texas - Austin.

Grads on the Move In Minnesota

Catherine Bartlett (J.D. '77) has become a partner in the law firm, Dorsey & Whitney. Catherine specializes in public finance.

Cathleen Chobot (BBA '82) has joined Bob Derse (BBA '79) at Newcombe Hansen Appraisals.

Russ Nelson (BBA '69) is one of the two principals of the newly formed Braman & Nelson, inc. The firm provides corporate real estate advisory services.

News From the Wisconsin Region as Reported By Dean Larkin (MS '81):

The Milwaukee Alumni held an informal Christmas gathering on December 28th at the Gas Lite. Unlike the seemingly athletic orientation of the Minneapolis area alums, consumption of malted beverage products appeared to be the main concern of the fifteen people that gathered to enjoy the festivities. One apparently lost alumn attended as a guest: Bruce Perchik (MS '81) was up visiting sunny Wisconsin from Texas. A good time was had by all!

The Milwaukee Area Alumni pitched in and organized a student field trip to the impressive Grand Avenue Mall, a redevelopment project in Milwaukee's CBD. The February 3rd field trip included presentations by various speakers including John Seifert, (MS '75), a tour of the development, and a cocktail hour and buffet hosted by local alumni. A dozen local alumni attended the cocktail hour to tell students tall tales from the real world.

Grads on the Move and In The News in Wisconsin

Mark Heindl (MS '78) has moved from the home office of the Northwestern Mutual Life Insurance Company here in Milwaukee to NML's regional real estate office in Washington, D.C. Mark is reportedly looking for drinking buddies out there (hopefully of the female persuasion).

Dave Clark (MS '75) and his better half, Colleen, welcomed the arrival of a trophy-sized baby girl (over 10 lbs.) this past December.

Don Peetz (MS '74) has quit smoking and has gone on a diet!

#### Job Opportunities

Bill Ibach (MS '74) of the Northwestern Mutual Life Insurance Company is seeking an energy conservation specialist for the real estate investment department. The candidate should have a solid relevant technical educational background, plus 3-5 years of experience. Contact William Ibach at NML, 720 East Wisconsin Avenue, Milwaukee, Wisconsin 53202

The American Appraisal Company is seeking experienced appraisers for job opportunities in Florida, Texas and Georgia. American is the world's largest appraisal firm and offers a wide variety of assignments with regional, national and inter-national travel. Clients include Fortune 500 companies, professional sports organizations, syndicators, developers, and lenders. Properties include commercial, industrial, and investment real estate. Contact: Director of Recruiting, American Appraisal Company, 525 East Michigan, Milwaukee, Wisconsin 53201.

Trammell Crow is seeking applicants to fill leasing positions in several of its offices throughout the country. Recent graduates with MBA or MS degrees are preferred. Interested parties should send resumes to Ms. Barbara Bower at Trammell Crow Company, 2001 Bryan Street, Dallas, Texas 75201.

#### News From the Northeast Region as Reported By Dick Shima (MS '73):

Dick Shima took the M.A.I. comprehensive exam on January 17th. The new format is multiple choice, with more than 100 questions. Dick offers to give some words of encouragement to anyone taking the exam in the near future. Just give him a call at (212) 980-3100, extension 340.

Interesting reading...G. Abbott Davis, V.P. of real estate investments at Metropolitan Life, has written an entertaining article entitled "Realty Value Forecasts - One of the Key Factors in Market Equilibrium". It appears in the December 20th issue of Pensions and Investment Age. In a light hearted way, Mr. Davis describes the quandry of the contemporary real estate appraiser and pension fund manager in estimating value, then reporting same to account holders.

#### News From the Chicago Region:

Walter Kubiesa (MS'80) has joined Podolsky & Associates in Rosemont, IL as Assistant Vice President of Property Management. Walter will be responsible for leasing and management of the multi-tenanted properties in the firm's industrial and office portfolio. He was recruited by Steven Podolsky (BA '69), the firm's President.

Stephen Elpern, James Smith and Charles Chandler had a great year in 1982 with Continental Equities Incorporated. Their firm closed five transactions totalling \$202,000,000. The deals consisted of the acquisition of one shopping center and the sale of four office buildings.

Other News About Alumni

Don Ritter (BBA '82) married Andrea Hibala on Saturday, January 8, 1983 at St. Bernadette Catholic Church, Houston, Texas.

Terry Grissom (Ph.D.) plans to be married in the spring.

Mark Cella plans to marry Jane Murphy on September 3, 1983. Mark's new address as of January 14, 1983 is 10756 Toledo Court, Bloomington, MN 55437

PLAN TO ATTEND THE THIRD BI ANNUAL REAL ESTATE ALUMNI ASSOCIATION SEMINAR ON OCTOBER 20, 21 AND 22, 1983 IN MADISON.

If you have any suggestions on program content, forward them to either:

Professor James Grasskamp  
University of Wisconsin  
Graduate School of Business  
1155 Observatory Drive, Room 118  
Madison, Wisconsin 53701

or

Roger Juszczak  
Westcor  
11411 North Tatum Boulevard  
Phoenix, Arizona 85028

# UNIVERSITY of WISCONSIN Real Estate Alumni Association NEWSLETTER

DECEMBER, 1983

Seasons Greetings:

## ALUMNI SEMINAR AUDIT

The biennial Alumni Seminar was the biggest and the best to date, with 210 alumni officially in attendance plus spouses and spouses, and a few associates from alumni employers. Peter Aldrich of Aldrich Eastman and Walch was the keynote speaker at lunch and Gerald Rauenhorst received the award at dinner for his distinguished contribution to real estate. He is a remarkable man and we have enclosed a recent article about him with this newsletter. His acceptance of the award is an honor for the UW program. Professor Graaskamp received from Roger and the Alumni Board a painting of a Navaho Indian chief, who also has the glinty visage of a guru with apnea. The seminar grossed \$23,089.72 and shows a net at this time of \$3,421.72. This surplus has been committed to the purchase of an additional IBM PC for the student micro computer lab, bringing the total number to five. These receive such heavy use that it has been discovered that it is easier on the equipment to leave them on 24 hours a day rather than overcharge the capacitors by turning them on and off too frequently. Those that attended the seminar received the most recent Alumni Directory while the rest of you should receive them with this mailing.

## REAL ESTATE CLUB

Another Bright spot in the semester was the Minneapolis field trip for 55 people from the Real Estate Department, including all of the faculty. The faculty proceeded to Minneapolis by car in order to miss the luau on the bus. The field trip was programmed by Dianne Orbison and Meredith Lincoln and went like clock work to a high impact series of projects, places, and people. In April we will again visit Chicago and are looking to the Chicago chapter for suggestions as to projects and speakers.

## JOBS

Placements for August and December graduates has gone very well because of the continued input of leads and promotion by the Alumni. For example, Tom Tossey went to Northwestern Mutual in Denver; Louise Venden went to work for Allen Andersen at Mercantile Bank Advisory Services in Dallas; Reed Stvan joined Spaulding and Slye as an assistant project manager in Washington, D.C.; and Jim Kane is in Washington, D.C. with the Carley Group. John Hansen will take a job with Helmsley-Spear in Chicago and Rob Bond will join Lake Michigan Mortgage. This year many more are interviewing on the east coast and more are interested in commercial leasing.

## JOBS (Continued)

There are many transfers which can be traced in the Alumni Directory but it is interesting to note that Rob Aldrich transferred from AT&T Pension Acquisitions, which were stalled with the corporate breakup, to General Electric Finance in Stamford, Connecticut to replace Jill Sommer who opened up a GE office in Boston. Dean Larkin has joined A. L. Grootemaat in Milwaukee, and the MGIC crowd of syndication specialists were all laid off. Margaret Jordan went promptly to Opus, Inc. in Minneapolis; Bill Peterson went to Dillon Inns in Middleton and Mike Scholl at this writing was choosing between two handsome offers within weeks of the layoff attributed to the Baldwin-Alexander mess. There is an interesting opportunity for an experienced mortgage investment banker with the Lake Michigan Financial Group in Chicago with Dave Downey. Give him a call at 312/236-2545.

## LOST SOULS

Speaking of Chicago and moves, Mark Smith, Jeff Mikes, and Mark Olson have moved right off our address list. Will somebody in Chicago send us their corrected address? We have also lost the correct address of Kris Koenig who has joined Northwestern Mutual Life Insurance and Arun Bhatia in New York City. John Foltz can't be located in Phoenix. Anyone knowing the whereabouts of these wanted, and presumed to be dangerous parolees are asked to contact us in Madison.

## BIG DEALS

New General partnerships in November which did not make the Wall Street Journal include marriages of Wayne and Karen Reisenauer, Craig & Susan Manske, Jill Sommer and Gary Hatton, and Mike and Susan Arneson.

Several recent advance career opportunities include an opportunity to be Director of Real Estate Research at Merrill Lynch in New York. Interested, contact John Lynch of the Paul R. Ray Company at 825 Third Avenue, New York, New York 10022 or call 212/371-3431. Or you could be vice president and chief appraiser for a Detroit bank if you have ten years experience with a large commercial company such as a bank or insurance company. Call Richard Schmitt, Vice President, The Interface Group, 3238 Prospect Street, NW, Washington, D.C. 20007, 202/965-1100. Or for those in the provinces there is an opportunity to be senior vice president, Director of Acquisitions, for a private real estate developer/syndicator located in Indiana. Full responsibility with a significant track record required in exchange for a high five figure base plus generous bonus. Contact Thomas Gilmour, Vice President, Stanger-Joy Associates, Ltd., 623 River Road, P.O. Box 8, Fairhaven, New Jersey 07701, 201/747-7566.

ALUMNI DIRECTORY COSTS US \$3.00 EACH TO PRINT AND MAIL. IF YOU ARE LISTED INCORRECTLY, SEND BACK CHANGE OF ADDRESS FORM, SO FOR THAT KIND OF MONEY WE CAN BE RIGHT.

## REPORT FROM THE PRESIDENT

Despite the recount I requested, I was reelected president. The Board of Directors was reelected and expanded as identified at the end of this report.

The Board of Directors meeting stressed two major elements, member participation and fund raising. First, a stronger organizational structure will be developed over the next two years to broaden participation in management and work loads of the association. I am presently contacting directors and members of the association to create small committees for Membership, Finance, (fund raising, spending and special needs), Directory, and Publicity. In addition, there will be a permanent committee for Strategic Planning and Selection of Nominees for Alumni Awards.

Fund raising decisions involve an effort to gain broader participation in terms of contributions in lieu of dues from all members of the Alumni in the Directory. The emphasis would be to concentrate efforts for fund raising each September in a special mailing, although this year the first effort is this December mailing with the cherry red envelope. The Board hopes that Real Estate Alumni will ignore other UW solicitations and contribute directly to the Real Estate Fund. To provide more personal contact the Alumni Board is asking the former presidents of the UW Real Estate Club to make personal contact with their peers to involve them in the Alumni Association and encourage them to provide annual support. Hopefully, you older members will write in and remind us who may have served in that function as club presidents since existing records may be incomplete. Directors and City Chapter Chairpersons will also receive a list of those in their area who provided support to them in 1983. Since Dean Bock has offered to help finance postage and mimeographing, alumni overhead will be reduced and most alumni contributions will be used for needs such as small student scholarships, additional personal computer equipment, and half of English instructor Ginny Mitnacht's salary.

Another major area of fund raising will be to expand the corporate gifts program begun by Larry Cleland and Prof. Graaskamp. That program was begun two years ago and has generated a \$100,000 in cash and \$50,000 in pledges for the Chair which brought Prof. Mike Miles to Madison. For the next two years the goal is an additional \$200,000 to fund summer stipends for Profs. Mike Robbins and Marian Wolfe, who are caught in a statewide salary freeze by Governor Earl. These endowment funds would also be to fund Ph.D. students as research assistants for a year while doing their dissertation and expanding the publication output of the department.

The first two years as president of your group required far more work than I ever imagined, but all of us working together accomplished far more in two years than we could have dreamed of in 1981. The beginning of a Real Estate Chair, the capture of Mike Miles, the outstanding seminar just completed, the IBM personal computer lab, and the new Ph.D. strength in the faculty are wonderful rewards for our effort. Our new goals seem ambitious but we anticipate that the ever increasing strength of our Alumni group will make it possible to realize them and more!

Best wishes of the season,

Roger Juszczak

Westcor, 22422 N. Tatum, Phoenix, Arizona 85028



BOARD OF DIRECTORS OF REAL ESTATE ALUMNI ASSOCIATION

Joseph D. Pasquarella Term Expires: 1985	Pennsylvania, West Virginia, Virginia, Maryland, Washington, D.C.
Richard A. Shima Term Expires: 1985	Maine, Massachusetts, New Hampshire, Vermont, Rhode Island, Connecticut, New York, New Jersey
John Dreier Term Expires: 1985	Ohio, Indiana, Michigan, Kentucky
Jeffrey Davis Term Expires: 1987	Illinois
James D. Vernor Term Expires: 1985	Georgia, Florida, Tennessee, Mississippi, Alabama, South Carolina, North Carolina
Diane M. Orbison Term Expires: 1987	Minnesota
Gene Thompson Term Expires: 1985	Iowa, North Dakota, South Dakota, Kansas, Nebraska, Missouri
Michael Buccholz Term Expires: 1985	Texas, Louisiana, Arkansas, Oklahoma
Ken Livadas Term Expires: 1987	Southern California, Nevada
James Curtis Term Expires: 1985	Northern California, Oregon, Washington, Hawaii, Alaska
Roger Juszczak Term Expires: 1985	Arizona, New Mexico, Utah
Kevin Kelly Term Expires: 1987	Colorado, Idaho, Wyoming, Montana
Mary Buczynski Term Expires: 1987	Wisconsin

REAL ESTATE ALUMNI ON UW BUSINESS SCHOOL ADVISORY BOARD

Roger Juszczak, Phoenix, Arizona

Allen Anderson, Dallas, Texas

# UNIVERSITY of WISCONSIN Real Estate Alumni Association NEWSLETTER

August 1984

Volume 8, Number 2

## NOTES FROM THE CHIEF

Since our last note, there are a few rays of sunshine to report. Professor Mike Robbins was named Acting Director of the School of Business Computer Center to fill the gap temporarily left by the departure of Bob Knitter and Dorothy Lott. As a result, he will be teaching Property Development and sharing 652 with Bob Gibson. With Professor Marian Wolfe (whose dissertation won honorable mention in the Homer Hoyt-AREUEA Dissertation Contest) on maternity leave and expecting during the first week of September, Dean Blakely approved Professor Jerome Dasso as a Visiting Professor for the fall semester. Jerry graduated from the Wisconsin PhD. program in 1963 and presently holds the Real Estate Chair at Oregon. He'll be teaching his specialties, the undergraduate appraisal course and Urban Dynamics, Business 557 this fall. In addition, the department was given budget for an additional teaching assistant for the year.

The Robbins opportunity is particularly timely because the American Bankers Association has given the school 100 IBM PC's, including portables, XT's, 25 printers and regular PC's. Approximately 60 will be installed in Room 204 for student use while the balance will be assigned to faculty members, including one in Room 118. Real Estate Department computers will continue to be reserved exclusively for real estate students in Mike Robbins' old office in Room 203. Mike will be located in B5 temporarily (608-262-3816) but the grand strategy is to put the Real Estate faculty in one set of offices in one location and convert Room 118 to the Real Estate Student Ready Room when the School of Business reclaims 203.

## SCHOLARSHIPS

In terms of scholarships, Robert Gibson and Bryan Furlong each won \$1,250 from Consolidated Capital, who conducted a debate involving top real estate students on the Madison campus. Kevin Dretzka won \$2,000 from the Shidler Group in an essay contest on real estate finance and Paul Lenhart

## SCHOLARSHIPS (continued)

won \$1,500 from the Herbert Nelson Memorial Fund Scholarship sponsored by the National Association of Realtors.

Real Estate Alumni contributions have increased slightly with several thousand dollars explicitly directed to the Chair Fund. Real Estate Alumni Scholarships for 1984-85 have been awarded as follows:

Edward Cherry -- \$500  
 Teresa Esquivel -- \$500  
 Bryan Furlong -- R.U. Ratcliffe Scholarship \$500  
 Vivian Gordon -- \$500  
 Tim Johnson -- \$500  
 John Kraus -- \$500  
 Steve Lauenstein -- Fran Larson Scholarship \$250\*  
 Witfield Osgood -- \$500  
 Reginald Pfeifer -- \$250\*

\*one semester grant

Three undergraduates received \$200 each for their last semester of their senior year, where they had exceptionally good grade points. Two have since decided to take senior-graduate standing for the fall to begin the M.S. program: Karyn B. Knaak, Lisa Solemb and Steve Rasmussen.

## PLACEMENT OPPORTUNITIES

Job placement has been going very well and now there is increasing interest in locating our alums who have three to five years experience. For example, the Center Companies in Minneapolis are seeking one of our grads to become a project developer of retail properties, based in Minneapolis but working throughout the U.S. Contact Jerry Amundson for details by calling 612-343-2661.

For those in the Chicago area, you might want to contact Ken Fisher, Vice-President, Norwest Mortgage, Inc., 1600 Xerox Centre, 55 West Monroe, Chicago, IL 60603 at 312-346-7585. He has several positions available for those interested in commercial mortgage banking. In addition, we have attached several detailed job descriptions which may be of interest.

The next newsletter in October will include an updated directory of alumni reflecting June and August placements as well as changing positions.

**ALEXANDER ENTERPRISES, INC.**  
RECRUITMENT & SEARCH

July 23, 1984

Dr. James Graaskamp  
SCHOOL OF BUSINESS  
1155 Observatory Drive  
Madison, Wisconsin 53706

Dear Jim,

This letter will confirm our conversation of last week. If you will recall, I am currently searching for two Real Estate professionals. You indicated to me that you may be aware of two such individuals.

Below I will describe what the specifications are for the positions:

- Position I
- a. Location - Manchester, New Hampshire
  - b. Type of Company - Real Estate development, construction and property management.
  - c. Education - Undergraduate degree required; B.A. or B.S. in Economics or related field desired. M.B.A. desirable.
  - d. Personal Characteristics - Young (26 - 28 years of age), honest, direct, strong analytical skills, goal oriented, good listening skills and good judgement.
  - \*\*Of extreme importance - ENTREPRENEURIAL
  - e. Must possess experience in 3 of the following areas:
    - 1. Real Estate Development
    - 2. Finance
    - 3. Construction
    - 4. Designer/site engineering
    - 5. Marketing
  - f. Salary - \$100,000.00 plus 10% bonus - within two years will become a partner.
- Position II
- a. Location - Baltimore, Maryland
  - b. Type of Company - Commercial Real Estate development and operation.
  - c. Education - Undergraduate degree required; B.A. or B.S. in Economics or related field desired. M.B.A. desirable.

P.O. BOX 148 • CENTER SQUARE PA. 19422 • (215) 279-0100

- d. Personal Characteristics - Must be a strong executive, capable of assuming additional executive duties within Real Estate.

Strong managerial skills in leadership, planning, negotiating ability, communication effectiveness, financial understanding.

Must possess good business sense.

Well-developed people skills.

Possess entrepreneurial creativity.

A team-player.

Well-organized.

Analytical and attentive to detail.

Must be willing to travel approximately 60%.

- e. Required Experience - Must have minimum of ten (10) years directly related experience, including proven managerial experience with successful company(s) in heading the acquisition of diverse real estate investments and creating real estate development programs and opportunities.

Must know how to evaluate the market potential for office buildings, shopping centers, office and industrial parks and other real estate investment opportunities.

Must have developed and implemented detailed acquisition and growth plans, including financial analyses, budget projections, and the negotiation and administration of contractual agreements.

Must have experience in coordinating acquisitions with operating activities, including marketing, sales, and property management.

Must possess the general management capacity to supervise all acquisition activities; to recommend, recruit and develop whatever staff personnel may be necessary; and to assume increasing responsibilities in the acquisition, financing, and management of future projects.

- f. Salary - \$145,000.00 plus incentive bonus, plus car.

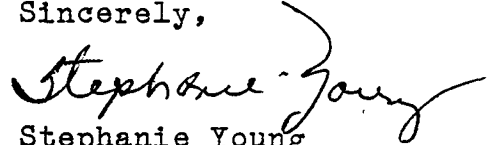
- 3 -

I hope the above information will assist you in determining if the individuals you have in mind are prospective candidates.

I will be on vacation the week of July 29th. I will call you the following week upon my return to the office.

Any assistance you can give me, Jim, would be greatly appreciated as the opportunities offered are certainly exceptional for the right individuals.

Sincerely,

  
Stephanie Young

SY;sg

UNIVERSITY OF WISCONSIN  
REAL ESTATE ALUMNI NEWSLETTER  
DECEMBER, 1984

SEASONS GREETINGS!! The close of 1984 is a good time to tie up some loose ends and open up some new topics for the Real Estate Alums. The fall semester has been one of our best semesters ever. Professor Jerry Dasso did a marvelous job with Business 557--Urban Land Economics and Business 556--Real Estate Appraisal, while Marian and Mike were attending to other chores. Our three Teaching Assistants--Dan Guenther, Bob Gibson and Ed Cherry--won kudos from all the students for their self-less attention to the students and prompt grading of all papers. There will be twelve graduates from the Master's program, and as of now all have offers but only a few have made up their minds, specifically:

Marty Bidus--Integrated Resources, New York  
Ed Cherry--Wachovia Bank, Real Estate Division, Charleston, North Carolina  
Chris Fusillo--Planned Enterprises, Inc., New York (an appraisal firm)

1985 FIFTH BIENNIAL REAL ESTATE ALUMNI REUNION: Plan your seminar and social schedule for October 17 - 19, 1985. The Real Estate Alumni has reserved all of Lowell Hall for its biannual extravaganza. We need your suggestions as to topics and speakers and nominations for recipient of the Wisconsin Award for Distinguished Real Estate. The UW plays Northwestern in Madison that weekend. Registration information will be out the end of February or early March.

ALUMNI FUND RAISING--FALL OF 84: The Real Estate Alumni Giving Campaign initiated in October has good news and bad news. The good news is that those who have given have been extremely generous but the bad news is that only a small percentage of the total membership have participated. Still the distribution of gifts including matching grants looks like this:

\$1 -\$10 - 8  
\$11 - 25 - 23  
\$26 - 50 - 17  
\$51 -100 - 27  
\$101 -250 - 2  
\$251 -500 - 3  
\$501 -999  
\$1,000 or more - 2

The deposits in the Alumni Fund 199 total \$3,635.00 and deposits in the Real Estate Chair total \$ 12,390.00, including \$5,000 from Verex, \$10,000 from the Urban Land Institute, and \$2,500 from Steve and Janice Jarchow. John and Diane Orbison provided \$1000 to be matched by MSI and Howard Zuckerman will provide a \$2000 scholarship.

RESEARCH FUNDS: The Homer Hoyt Institute has identified the University of Wisconsin Real Estate Program as one of its targets for research support, committing \$15,000 a year for the next four years. The first \$15,000 will be matched by Consolidated Capital to fund a study of pension fund appraisal procedures, a study which will also fund Bob Gibson's dissertation and the Chief's summers. This support from Homer Hoyt means we have met our goal of providing a research assistantship for each of our Ph.D. candidates for one year to work on their dissertations. This is a very important goal towards establishing a better research vector for our program.

NEW JOB OPPORTUNITIES: Bits and pieces from the job mart include the news the Frank Dunbar Jr. will form his own development company as of January 1, 1985, after many years with the Boisclair operation. Lloyd Zimmerman has been appointed Senior Vice President of the San Antonio Savings Association, Dallas Division. Stuart Ackenberg has joined Birtcher as Vice President of Acquisitions in Beverly Hills, California. Jay M. Kramer has joined with Richard Eddy to create a new firm called Equity Acquisitions and Consulting in Littleton, Colorado. Pam Heston has been promoted to Investment Officer in the Securities Department at the Northwestern Mutual Life Insurance Company in Milwaukee.



SCHOOL OF BUSINESS  
UNIVERSITY OF WISCONSIN-MADISON

TO: The Business Faculty  
FROM: Johanna Johnson, 108 Commerce  
SUBJECT: Business Enrollments

FALL 1984

<u>FALL</u>	<u>GRADUATE</u>			<u>SPECIALS</u>	<u>JUNIORS AND SENIORS</u>			<u>PREBUSINESS</u>				<u>GRAND</u>
	<u>TOTAL</u>	<u>PhD</u>	<u>Masters</u>	<u>TOTAL</u>	<u>TOTAL</u>	<u>Bus 4</u>	<u>Bus 3</u>	<u>TOTAL</u>	<u>PrBus 3</u>	<u>PrBus 2</u>	<u>PrBus 1</u>	<u>TOTAL</u>
1984	916	117	799	6	1189	724	465	2650	154	1222	1274	4755
1983	1007	123	884	14	1169	741	428	2242	128	1140	974	4432
1982	973	109	864	7	1195	742	453	2153	110	1082	961	4328
1981	975	94	881	14	1174	708	466	2148	139	1108	901	4311
1980	997	101	896	5	1176	750	426	2245	105	1087	1053	4423
1979	923	102	821	8	1200	709	491	2137	155	1009	973	4260
1978	830	89	741	13	1162	717	445	1977	145	922	910	3983
1977	776	85	691	20	1138	670	468	1603	72	804	727	3537
1976	700	93	607	25	1042	658	384	1340	80	681	579	3107
1975	818	94	724	47	991	647	344	1367	81	656	630	3223
1974	780	94	686	27	1058	583	475	1141	16	581	544	3006
1973	709	86	623	28	962	552	410	896	13	470	413	2595
1972	600	95	505	32	914	508	406	767	8	354	405	2313
1971	573	98	475	58	878	480	398	677	27	343	307	2186
1970	540	97	443	36	841	469	372	727	4	403	320	2144
1969	464	107	357	59	860	534	326	786	20	458	308	2169
1968	429	97	332	49	865	492	373	851	25	459	367	2194
1967	405	80	325	49	750	370	380	853	29	496	328	2057

<u>MAJORS</u>	<u>JUNIORS</u>	<u>SENIORS</u>	<u>SPECIALS</u>	<u>MASTERS</u>	<u>PH.D.</u>	<u>TOTAL</u>
Accounting	110	193	1	84	42	430
Actuarial Science	9	13	1	7		30
Arts Administration				16		16
Business Statistics				0	1	1
Committee					2	2
Finance	93	234		201	18	546
Health Care Fiscal Management				28		28
Health Services Administration				29		29
Information Systems	30	109	2	61		202
International Business				31	5	36
Management	38	107		89	6	240
Marketing	74	236		109	16	435
Public Management				1		1
Quantitative Analysis	1	17		11	14	43
Real Estate-Urban Land	6	33		60	4	103
Risk and Insurance	3	60		9	4	76
Transportation-Public Utilities	0	1		4	3	8
<u>Special Programs</u>						
ALBU	0	2				2
Business Engineering	0	0				0
Diversified	0	0		45		45
Majors to be determined	219	54	2	44	2	321
<b>TOTAL</b>	<b>*583</b>	<b>*1059</b>	<b>6</b>	<b>**829</b>	<b>117</b>	<b>2,594</b>

\*335 of the 1059 Seniors and 118 of the 583 Juniors have double majors.

\*\*60 of the 829 Masters candidates have double majors.

**POSITION POSTING**

**TITLE:** Vice President - Multi-Family Underwriting  
**COMPANY:** Northland Mortgage Company  
**DEPARTMENT:** Housing Development Division  
**LOCATION:** 3500 West 80th Street, Bloomington  
**REPORTS TO:** Branch Manager, Housing Development Division  
**POSITION GRADE:** Unevaluated/Commensurate With Experience

**POSITION RESPONSIBILITIES:**

1. Underwrites rental or for sale housing based on an analysis of several key factors: acceptability of site valuation of the project, the financial strength and past performance of the developer, construction cost estimates, architectural/engineering soundness of the existing or proposed building, and the financial feasibility of the project.
2. Provides supervision to outside technical consultants in the FHA coinsurance program.
3. Administers, services, and closes construction loans, including the approval of draw requests, modification and change orders, and meeting specific project closing requirements.
4. Underwrites condominium and townhouse projects for FNMA, VA, HUD, and RFC in order to obtain agency approvals.

**REQUIREMENTS:**

1. Four year college degree. Major in real estate, finance, or business administration preferred.
2. 8-10 years experience in construction and permanent housing programs, including construction loan payout experience and 3 years experience in underwriting multi-family housing. Three years experience as an MAI or SRPA appraiser or equivalent experience desirable.
3. One of the following professional designations is desirable: American Institute of Real Estate Appraisers (MAI), Society of Real Estate Appraisers (SRPA), or Certified Mortgage Banker (CMB).
4. Must be FNMA/FHA/VA approved underwriter and appraiser.
5. Strong analytical skills.
6. Strong human relations skills.
7. Strong communication skills, both written and oral.

**FOR FURTHER INFORMATION:** Contact Debra Duffy, Personnel Department, at 298-0237.

10/30/84

**MIKE KELLY**

**The J. KOVACH GROUP, INC.**  
400 Penn Center Boulevard  
Pittsburgh, PA 15235  
(412) 823-5890

**The J. KOVACH GROUP, INC.**  
400 Penn Center Boulevard  
Pittsburgh, PA 15235  
(412) 823-5890

November 15, 1984

Dr. James Grasskamp  
University of Wisconsin  
School of Business  
Room 118  
1155 Observatory Drive  
Madison, Wisconsin 53706

Dear Jim:

Thank you for the sample of the school newsletter.

We have been retained on a search that might be of interest to graduates of your program.

Our client is a prestigious national mortgage banking firm seeking an individual with 3-10 years experience in commercial loan production. This individual should be capable of doing \$50 million or more annual production, with a loan size of \$2-\$20 million.

Salary will be commensurate with experience, with incentive plan based on production; also there are stock options plus generous benefits.

If anyone is interested they can discuss the position confidentially with me at the above phone number.

Sincerely,

  
Mike Kelly

UNIVERSITY OF WISCONSIN

REAL ESTATE ALUMNI NEWSLETTER

JUNE, 1985

\*\*\*\*\*

ALUMNI REUNION TRAVEL DISCOUNT

Roger Juszczak has arranged a group travel airline discount through Mundus Travel for our upcoming seminar in October. United Airlines will offer a 15% discount on excursion fares and 35% on coach fares. In order to secure these discounts, we merely need to call T.J. at Mundus at 800-227-1578. If she is unavailable, she will return all calls. T.J. Jacobsen, Mundus Travel, P.O. Box 9800, Phoenix, AZ 85068.

\*\*\*\*\*

Professor Marian Wolfe resigned to return to the West Coast where her husband, Scott, has taken a position. She was just hitting her stride and making a valuable contribution to the Urban Land Economics and Public Policy side of our program. However, we were lucky and found an excellent replacement from the University of Texas School of Architecture & Planning in Austin. Professor Dowell Myer will join us in January. Our agreement has him attending the Alumni Reunion so that you can meet him and his wife, Susan, and a baby expected in July. His personal data sheet is attached to this newsletter as Exhibit A. He will also be on campus this June to coordinate course content in the fall taught by PhD candidate Fred Rendahl. 557-757 will be enriched with an integrated statistics course which is one of Dowell's specialties.

A new course has been added in Intersession financed by the Wisconsin Board of Realtors and income from the Real Estate Chair Account. The course is called Real Estate Encounters and features some outstanding guest speakers who will emphasize role playing and a week of negotiations, another week of mock public hearings, and a third week of a mock trial, all under the leadership of Rod Matthews. (See Exhibit B.)

Income from the Chair Account will also finance Professor Mike Robbins writing at least two articles this summer and preparing for a number of presentations at the Lincoln Institute at Harvard and the International meetings of the Regional Science Group in Winnipeg. We desperately need to expand our capital fund to augment our program further.

In the fall, the Chair Fund will provide honorariums for one day mini-courses on blue print reading, residential design, life safety systems, and traffic engineering. Students will receive one credit for attending three out of four of the sessions scheduled on Fridays throughout the semester.

The School of Business remains without a Dean, and the University remains without a President, because salary scales are too low. Dean Blakely remains acting Dean in charge of salary, so we were able to make a significant correction on Robbins' salary, but not yet an adequate one; the Legislature will also provide a two-year correction on our salaries, but they will remain behind those of competitive real estate programs by a minimum of 20%. Dean Blakely will retire in three years and warns us that Real Estate will have to be separately

financed by that time or will be merged with Insurance into a Finance Department.

The current Board of Directors for the Alumni is listed in Exhibit C. If there are any geographic areas needing expanded representation, contact Roger Juszczak.

The Alumni have contributed \$21,889 during this year's fund raising efforts although less than one-third of the Alumni actually made gifts. There are over 700 alumni on the mailing list currently and if gifts averaged \$100 a piece, it would be possible to add \$50,000 a year to the endowment and fund all alumni operations and scholarships. Speaking of Scholarships, Mike Komppa and Howard Zuckerman have jointly established a \$2000 annual scholarship fund. For the coming year, the \$1000 Komppa Scholarship will go to Paul E. Jahnke, an honor student in Civil Engineering, a handsome devil, and a workaholic like his sponsor. The Zuckerman Scholarship goes to an entrepreneurial southerner named Scott Kendall, an irrepressible mountain man, ex-jock, connoisseur of southern cooking, and free spirit, which is as close as we could get to a Zuckerman at this time. For the coming year, \$500 Alumni Scholarships have been awarded to: Mark McKillip; Steven Rasmussen; Vincent Slupski; Rita Spence; Pattijean McCahill; Frank Sullivan; Elaine Worzala; Ronald Blum; Patricia Gleason; Jonathon Pincus; and Michael Tobias. More will be announced during the summer. Alumni funds have also been used to repair and upgrade department PC's, purchase video projection equipment for Room 22, and fund \$6000 of scholarships last semester including \$1500 for undergraduates. Spring semester undergraduates receiving \$250 were:

Michael Annin, Shorewood, MN  
Gregg Handrich, Kimberely, WI  
Leslie Krichevsky, Northbrook, IL  
Howard Levy, Madison, WI  
Robert Thomson, Milwaukee, WI  
Robert Walter, West Bend, WI

All of these students are undergraduate honor students and we expect to recruit at least four out of six for the graduate program.

The job market has been very strong and Exhibit D has a list of where June and August graduates are going with a number of additional decisions still to be made. Everybody has had a number of good offers and the trick has been to keep them in class instead of travelling around the country for interviews. Enrollments top 105 in the MS program, and will be even bigger next year. To date, 25 Summer Interns have been placed, but the list wasn't complete in time for publication with this newsletter. Among the new students are the daughter of former Dean Bock, the son of Chancellor Shain and Doug McCahill's sister Pattijean, back from Olympic Girl's Volleyball!

Names in the news recently include Jim Purinton at the Prudential office in Chicago where he is General Manager of Real Estate Operations and will head up both the renovation of the existing 41 story Prudential Building and construction of a taller tower next door. Doug Reed has moved to United Parcel Service as a Corporate Real Estate Manager. Bryant Wangard is now Vice-President of Finance and Investment Property Sales at Opus Inc. Gene S. Thompson, MAI has been promoted to General Manager of the Travelers Real Estate Investment Department for Kansas City.

JOB OPPORTUNITIES FOR ADVANCED ALUMNI ARE DESCRIBED IN ATTACHED LETTERS IN EXHIBIT E & F  
SEND IN YOUR RESERVATIONS EARLY TO RESERVE HOTEL ROOM SPACE AND FOOTBALL TICKETS FOR  
THE ALUMNI SEMINAR AND REUNION OCTOBER 17 - 19.

MIT vs. WISCONSIN included in Exhibits G & H.

Exhibit A

DOWELL MYERS

Office Address: Community & Regional Planning  
School of Architecture  
University of Texas  
Austin, Texas 78712  
Phone: (512) 471-1922

Home Address: 3100 French Place  
Austin, Texas 78722  
Phone: (512) 480-8465

Personal: Married, no children

AREAS OF INTEREST

Housing Markets, Housing Needs, and Housing Policy  
Population Change and Social Demography  
Planning Processes, Policy Analysis, and  
the Research-Values-Policy Interface  
Urban Growth and Spatial Structure

EDUCATION

Ph.D. Urban and Regional Planning, Massachusetts Institute of  
Technology, 1981. Dissertation: The Housing Progress  
of Young Cohorts.

M.C.P. City and Regional Planning, University of California,  
Berkeley, 1975. Specialization: Housing and Local  
Populations.

B.A. Anthropology, Columbia University, 1972.

EXPERIENCE

Teaching Assistant Professor, Community and Regional Planning,  
School of Architecture, University of Texas at Austin  
(1981-present): Graduate courses in areas of  
Introduction to the Planning Process, Housing Issues  
and Policy, Housing and Urban Demography, Urban Growth  
and Growth Problems, Forecasting, and Social Policy  
Planning.

Assistant Professor (Visiting), School of Planning,  
University of Cincinnati (1980-1981).

Instructor, Urban Studies and Planning, Massachusetts  
Institute of Technology (Spring 1979 to Spring 1980).

Research

Principal Investigator, Policy Research Institute sponsored project, "Housing, Population, and Traffic Multipliers of Employment Growth," 1984.

Principal Investigator, Mike Hogg Endowment for Urban Governance sponsored project, "Measuring Local Trends in Quality of Life," 1984.

Co-investigator, Mike Hogg Endowment for Urban Governance sponsored project, "Investigations into Aspects of Urban Growth in Texas," 1983-84.

Principal Investigator, University Research Institute sponsored project, "Homeownership and Family Change," 1983.

Co-investigator, Texas Housing Agency sponsored project, "ACED Identification project" (spatial allocation of funds from mortgage revenue bonds), 1983.

Principal Investigator, National Science Foundation sponsored project, "Emerging Family Impacts of Homeownership", 1981-1983.

Principal Investigator, Department of Housing and Urban Development sponsored project, "Impact of Filtering Processes on the Conservation and Use of Early Postwar Single Family Homes", 1981-1982.

Analyst, Joint Center for Urban Studies, fall 1978 (Pitkin/Masnick Housing Consumption Project).

Research Analyst, Abt Associates, Cambridge, MA, 1977-78 (Housing Allowance Demand Experiment).

AWARDS AND  
RECOGNITION

Who's Who in the South and Southwest, 1984-85

Charles Abrams Fellowship of the MIT-Harvard Joint Center for Urban Studies, September 1978 -- August 1980.

National Science Foundation Graduate Fellow, September 1973 -- August 1976.



Dowell Myers--3

UNIVERSITY OF  
TEXAS COMMITTEES

Population Research Center  
Steering Committee  
University Growth Research Forum  
Coordinator and principal organizer  
Housing and Food Services Committee

AUSTIN AREA  
ASSOCIATIONS

Chapter President (Central Texas), Texas Economic and  
Demographic Association (1985)  
Chairperson of the Airport Redevelopment Planning  
Committee of Citizens for Airport Relocation (1984)

PROFESSIONAL  
ASSOCIATIONS

American Planning Association  
Chairperson of the Human Services and Social  
Planning Division (1983-85)  
Planners Network  
Population Association of America  
American Real Estate and Urban Economics Association

EDITORIAL SERVICE  
AND REVIEW WORK

Deputy Editor, Demography, 1983-84  
Division Liaison, Journal of the American Planning  
Association, 1983-  
Editorial Board, Journal of Planning Education and  
Research, 1984-  
Reviewer, Social Science Quarterly  
Growth and Change  
Urban Affairs Quarterly  
National Science Foundation

PUBLICATIONS

"Reliance Upon Wives' Earnings for Homeownership  
Attainment: Caught Between the Locomotive and the  
Caboose," forthcoming, Journal of Planning Education  
and Research.

"Wives' Earnings and Rising Costs of Homeownership,"  
forthcoming, Social Science Quarterly.

"Deriving Place-Specific Measures of the Rental Housing  
Crisis from the 1980 Census: An Application from Texas"  
(with Katherine Baillargeon), forthcoming, Journal of  
Urban Affairs.

PUBLICATIONS  
(Cont'd)

"Citizens' Views of Austin's Quality of Life: Sliding Down the Ladder," mimeo, School of Architecture, The University of Texas at Austin.

"Boomtime in Austin, Texas: Negotiated Growth Management" (with Kent Butler), Journal of the American Planning Association, vol. 50(1984):447-58.

"Turnover and Filtering of Postwar Single-family Houses," Journal of the American Planning Association, vol. 50(1984):352-58.

Review of Rental Housing in the 1980s (by Anthony Downs, Brookings Institution, 1983), Journal of the American Planning Association, vol. 50(1984):380

"Quality of Life: Austin Trends 1970-1990," mimeo, School of Architecture, The University of Texas at Austin.

Review of Metropolitan Housing Needs for the 1980s (by John C. Weicher, Lorene Yap, and Mary S. Jones, Urban Institute Press, 1982), Journal of Planning Education and Research, vol. 3 (1984): 131-132.

"Upward Mobility and the Filtering Process," Journal of Planning Education and Research, vol. 2 (1983): 101-112.

"Population Processes and Neighborhoods", chapter 7 in Neighborhood Policy and Planning, edited by Phillip L. Clay and Rob Hollister, Lexington, Mass: D.C. Heath (1983).

Final Report on Impact of Filtering Processes on the Conservation and Use of Early Postwar Single Family Homes, prepared for the U.S. Department of Housing and Urban Development (grant H-5404SG), 1982. Available from HUD User (HUD-0002620).

"A Cohort-based Indicator of Housing Progress," Population Research and Policy Review vol. 1 (1982): 109-136.

"Toward a Cross-cutting Paradigm for Social Planning," Human Services and Social Planning Bulletin, (Division of the American Planning Association), March 1982.

"Housing Progress in the Seventies: New Indicators," Social Indicators Research vol. 9 (1981):35-60.

PUBLICATIONS  
(Cont'd)

Final Report on Economic and Racial/Ethnic Concentration in the Housing Allowance Demand Experiment, Abt Associates, Cambridge, MA, 1979 (co-author).

"A Life Course Perspective on the Downturn in U.S. Fertility," Working Paper No. 106 (October 1978), Center for Population Studies, Harvard University, Cambridge (co-author).

"Aging of Population and Housing: A New Perspective on Planning for More Balanced Metropolitan Growth," Growth and Change, vol. 9 (January 1978): 8-13.

"Population Management After Belle Terre: Direct Household Regulation Under Conditions of Restricted Life Cycle Impacts and Small Spatial Scale," Environmental Design Policy Group Occasional Paper #3, Laboratory for Architecture and Planning, MIT, August 1977.

"The Age of Housing as a Factor in Balanced Metropolitan Growth," pp. 109-126 in Innovation and Action in Regional Planning, ed. Bruce McDowell, published for the American Institute of Planners by the Bureau of Urban and Regional Planning Research, University of Illinois, Urbana (1977).

"Housing Allowances, Submarket Relationships, and the Filtering Process," Urban Affairs Quarterly, vol. 11 (December 1975): 215-240.

769 Real Estate Encounters  
Three credits intersession  
May 28 - June 13 1985

Graaskamp & Matthews  
222 Commerce

The purpose of this course is to provide the student with practical experiences in the art of real estate negotiations, and the processes of real estate hearings and real estate trials.

TEXTS:

1. Getting to Yes, Roger Fisher and William Ury, Penguin
2. You Can Negotiate Anything, Herb Cohen, Bantam Books.
3. Winning the Land Use Game , "A Guide for Developers and Citizen Protestors", Carolyn J. Logan, Praeger.
4. Handling Zoning and Land Use Litigation: A Practical Guide, Craig Peterson & Claire McCarthy, Michie.
5. Class Handouts

GRADES:

Classroom Assignments      50%

Takehome exam on some aspect of the course.      50%

WEEK ONE

Tuesday May 28 Art of Negotiations. Professor Norbert S. Jacker. Working lunch hour. Class day 9 to 5.

Wednesday May 29 Explanation of the Course; Assignment: Getting to Yes, Discussion. Class day 9 to 12.

Thursday May 30 Negotiations in Real Estate: Norm Flynn 9 to 10. Tapes and discussion 10 to 12. Handout

Afternoon small group preparation:

12 students to work on Board of Review presentation  
9 students work on Odana Road store building for Plan Commission  
9 students work on JC Penney building for Plan Commission  
9 students work on apartment complex for Plan Commission

Friday May 31 Observations on the Art of Negotiations: How to Succeed in Negotiations. Herb Cohen Class day 9 to 4  
Handout and You Can Negotiate Anything, Herb Cohen.

## WEEK TWO

Monday June 3 The Hearing Process: Types of Hearings, Procedures, Rights, Parties Appearing at Hearings  
1 to 2:30 Tom Klein, Madsen Development Corp.  
2:30 to 4 Winning the Land Use Game, "A Guide for Developers and Citizen Protestors"

Tuesday June 4 Hearings before the City Plan Commission with Fred Arnold, Chair, City Plan Commission. Handout. Introduction remarks, Mr. Arnold. Concluding remarks, George Austin, Director City Planning Department  
Class day 9 to 12  
9 students work on Odana Road store building  
9 students work on JC Penney building  
9 students work on apartment complex  
balance of students on City Plan Commission

Wednesday June 5 Richard Babcock  
Class day 9-4

Thursday June 6 Hearing before the City Board of Review, Larry Lichte, City of Madison Board of Review. Observations on the hearing process. Readings and discussion

1 to 2 Presentation by Atty. Lichte  
2 to 4 Hearings (12 students to work on Board of Review presentation)

## WEEK THREE

Monday June 10 Observations on the Hearing Process  
9 to 10:30 James Carley, Carley Capital Group  
10:30 to 12 The Structure of a Lawsuit; Handling Zoning and Land Use Litigation: A Practical Guide.

Tuesday June 11 Handling Zoning and Land Use Litigation: A Practical Guide. Videotapes on Court Practices. Mock Deposition. Class day 9 to 12; tentative 1 to 4.

Wednesday June 12 Portions of a Trial: Testimony of the Expert Witness; Attorney Tom Ragatz; Professor James Graaskamp  
Courtroom in the City-County Building  
Class day 1 to 4

Thursday June 13 Summation. Professor James A. Graaskamp.  
Class day 9 to 12.

UNIVERSITY OF WISCONSIN REAL ESTATE ALUMNI  
BOARD OF DIRECTORS

John D. Dreier  
NORTHWESTERN MUTUAL LIFE  
219 Perimeter Center Parkway, #460  
Atlanta, GA 30346  
(404) 396-4800

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350 Park Avenue  
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MSI INSURANCE  
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(414) 476-6500

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(303) 337-2322

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WESTCOR PARTNERS  
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Phoenix, AZ 85028  
(602) 996-2870

Professor James A. Graaskamp  
UNIVERSITY OF WISCONSIN  
Graduate School of Business  
1155 Observatory Drive  
Madison, WI 55701  
(608) 238-8452

Michael Arneson  
OPUS CORPORATION  
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Minneapolis, MN 55440  
(612) 936-4460

Kenneth G. Livadas  
THE UHLMANN OFFICES, INC.  
5605 Woodman Avenue  
Van Nuys, CA 91401  
(213) 873-2900

EXHIBIT D - REAL ESTATE MS GRADUATES FOR MAY AND AUGUST 1985 AND FIRST JOB PLACEMENT

Adefemi, Olufunmilayo J.  
Amundson, Michael F.  
Betlej, Joseph R.  
Browne, Kenneth W.  
Brumm, Charles D.  
Cherry, Edward M. - Wachovia Bank, NC  
Dean, Michael J. - Allianz Insurance Co., Dallas  
Drewiske, David P. - 3M Corp. Real Estate, Minneapolis  
Drewry, James D. - Madsen, Madison  
Esquivel, Terry - Prudential, New York  
Furlong, Brian A. - Bank of America Appraisal Co., New York City  
Hamm, Lynn E. - Family Store, Tomah, WI  
Kalaris, Stacy - G.E. Credit, Stamford CT  
Korslin, Bob - Munz Corp., Madison  
Kraus, John F. - Madsen, Madison  
Krier, Michael J.  
Lampert, Thomas J. - Prudential, Chicago  
Lauenstein, Stephen C. - Wells Fargo Bank, Marina Del Ray, CA  
Lenhart, Paul G.  
Maurer, John R. - Prudential, Chicago  
Nickelatti, James R. - RESA Real Estate Software, Houston  
Pfeifer, Reginald L. - Trammell Crow, Milwaukee  
Richman, Lisa B. - Walter Winius, Phoenix, AZ  
Schultz, Rhea A. - Aetna Life & Casualty, Hartford, CT  
Schultze, Phillip R. - Prudential Mortgage, NYC  
Thomson, Peter N.  
Wagnener, Charles W.  
Whitemarsh Brian - Laventhol & Horwath  
Zemezouak, James - Frain, Camins & Swartzchild, Chicago

# General Growth Companies

GENERAL GROWTH DEVELOPMENT • GENERAL GROWTH MANAGEMENT

215 KEO  
P.O. BOX 1536  
DES MOINES, IOWA 50306  
(515) 281-9100

May 15, 1985

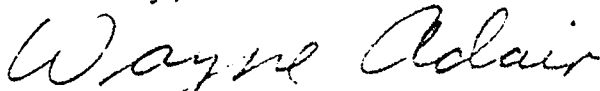
Mr. James A. Graaskamp  
Chairman, Real Estate and  
Urban Land Economics  
University of Wisconsin School of Business  
1155 Observatory Drive  
Madison, WI 53706

Dear Mr. Graaskamp:

Our firm is interested in considering candidates for the position of administrative Assistant to the President, General Growth Development Corporation. This position will require a minimum of four to six years business experience plus an MBA degree with a focus in real estate. This is a new position and will involve general support for our President and some human relations activities. It should be an excellent opportunity for broad based exposure to the shopping center development process.

Please make your graduate student placement office aware of our opportunity and encourage interested and qualified candidates to send their resume to my attention.

Sincerely,



Wayne L. Adair  
Vice President, Administration

pmg



HAYMAN & CO.  
SUITE 2101 - SKYWAY TOWER  
SOUTHLAND CENTER  
DALLAS, TEXAS 75201

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214 / 748-0944

April 10, 1985

Mr. Jim Grascamp  
University of Wisconsin  
Room 118  
School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706

Dear Jim:

I enjoyed talking with you. Enclosed is our check in the amount of \$25.00 for the list we discussed which identifies graduates of the real estate program and their whereabouts.

Outlined below are the technical requirements of the position and the personal qualities of the individual we are seeking to assume overall responsibility for the Commercial Real Estate Lending activities for a Dallas based savings and loan association.

The individual we seek will be responsible for managing the department, ensuring adequate review of potential projects, and generating and servicing commercial underwriting activities within an \$800 million Dallas based savings and loan. The position reports to the President and will serve as a member of the Management Committee. The individual will have a staff reporting to him. The current portfolio is approximately \$190-200 million. Representative credits would include industrial buildings, warehouses, strip centers, some apartments and some joint venture (equity participation) projects - all commercial nature. Over the past year the client has developed a fair number of new customers. Approximately 2/3 of the portfolio is in the Metroplex area with the remaining 1/3 in selected target markets.

The successful candidate must possess "good real estate sense". This must be supported by strong technical qualifications and knowing how to structure a loan agreement. This will include credit evaluation. The underlying premise and thought will be "How do we get our money back?". He will recognize and emphasize a high quality of service. He will move quickly to develop a close working relationship with his contemporaries and with his customer base. Importantly, he will demonstrate an ability to show good judgement on the deal.

Ideally, we would like to find an individual from the Metroplex or Southwest market. A principal thrust will be to attract new customers with both open ended construction loans and construction loans with take-outs. A heavy concentration of these activities will fall in the \$2-5 million range but projects up to \$20 million will be considered. Principal responsibilities will include:

HAYMAN &amp; CO.

Page 2

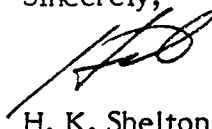
- Provide overall management direction to the Commercial Real Estate Lending area inclusive of lending officers and support staff.
- Oversee and evaluate credit quality and select projects for which commitments will be made.
- Develop a close working relationship with developers and ensure that the department provides a high level of quality service.
- Continually develop prospective projects to be financed and new developers to work with.
- Interface with other financial institutions to arrange for participations as required.
- Develop new concepts or proposals for project financing - both interim and permanent.
- Assume responsibility for special projects as requested.
- Serve as a member of key committees.

The personal characteristics of the individual are important to his success in the organization. Integrity and a sound ethical code are basic. Maturity, a high energy level, persistence, a positive attitude, and a people touch are a necessity. He will be bright, candid but not blunt, and achievement oriented. He must be a good communicator with excellent written and verbal skills. He will also be tough, fair, and objective in his evaluation of business and personnel problems. He will have outstanding conceptual and analytical skills and be a team player who possesses those characteristics generally attributed to a leader. He will know a good business or real estate risk and be willing to accept the risk.

Candidates will possess at least a bachelor's degree in an appropriate discipline. An advanced degree in finance, accounting, economics, etc., would be helpful though not a necessity. Ideally, the candidate's experience will have been gained in an institution highly regarded for its performance in the real estate field over recent years. Preferably, it will be a larger institution known for its development of people, ability to attract desirable customers, sound credit policies, and overall image in the marketplace.

Jim, we are looking at a compensation package which includes a base salary in the \$100,000-125,000 range.

Sincerely,



H. K. Shelton

HKS:cr  
Enclosure

# First Savings Corporation

Margaret P. Pan  
President

A Subsidiary of  
Citicorp Savings of Illinois  
A Federal Savings and  
Loan Association

March 8, 1985

One South Dearborn Street  
P.O. Box 444  
Chicago, Illinois 60688  
(312) 977-5665

Dr. James A. Graaskamp  
University of Wisconsin  
School of Business  
Room 118  
1155 Observatory Drive  
Madison WI 53706

Dear Professor:

As you know, within the last year, Citicorp Savings of Illinois had hired a number of graduates from the real estate program to work on our inherited service corporation portfolio. However, even with this addition to our staff, we find that we are still in need of the caliber of resources that UW's program provides.

Our work entails managing accounts ranging from real estate owned to joint venture investments, with the objective of minimizing losses/maximizing values. Our portfolio is oriented towards workouts: single family land development, property management, and working closely with joint venture partners. At least one to five years experience in the real estate field is preferred. Additionally, we are seeking an appraiser whose main function will be to review outside appraisals; a designation is not required, although we would prefer at least two years experience.

Please circulate this in your March, 1985 Real Estate Alumni Newsletter. Those interested may contact:

Account Manager Position

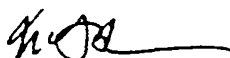
Larry Gress  
Human Resources Department  
Citicorp Savings of Illinois  
P.O. Box 4444  
Chicago IL 60680

Appraiser Position

Richard Lex  
Citibank, N.A.  
Real Estate Industries Division  
399 Park Avenue  
Floor 9, Zone 12  
New York NY 10043

Thanks very much.

Best regards,



cc: Richard Lex, MAI  
Larry Gress

February 1985

Brian Dumaine  
Fortune Magazine  
Time & Life Building  
Rockefeller Center  
New York, New York 10020

Re: "Master Developers," page 49, Fortune, February 4, 1985

Dear Mr. Dumaine:

Once again the mystique of Ivy League schools has caused Fortune to confuse plywood signs announcing future accomplishments with substantial performance on a firm contract. The University of Wisconsin School of Business has offered an MS degree in Real Estate Investment Analysis since 1964. We presently have over 700 MS alumni throughout the real estate development industry including most major development firms.

Cash flow analysis on computer for real estate began here at Wisconsin in 1965 and has been integrated into virtually every course since the early 1970's. Marketing research also began here as a specific real estate subject area. The definition of feasibility analysis for real estate -- well, the University of Wisconsin faculty wrote the book on it, literally. Urban Land Economics began at the UW at the turn of the century because of the Wisconsin concern with the relationship of political institutions and land use. We still teach the politics of real estate--even have a course called Real Estate Encounters to stress negotiations, management of public hearings, and courtroom presentations.

One thing we haven't done is charge corporations \$5-10,000 for the right to talk to us, use our books, drink our coffee, or sit in our classrooms. Instead, our students pay charter buses to visit the leading developers on site several days each semester. Placement depends on superior technique, rather than the old school tie, so for twenty years we have been teaching students how to apply computers to real estate problems rather than "firing them up" as to the potential.

In education as in real estate there is still a difference between master promoters and master craftsman. But then, the same is true of publishing.

From the provinces,

James A. Graaskamp  
Chairman, Real Estate & Urban Land Economics

JAG/db

February 15, 1985

Ms. Mary Rae  
1271 Avenue of the Americas  
1829 A Fortune  
New York, NY 10020

Dear Ms. Rae:

In response to your phone call with regard to my objection to the Massachusetts Institute of Technology (MIT) article, we are providing some additional materials that will hopefully demonstrate that we teach development and not just finance. Enclosed you will find:

1. An article on the development process which characterizes the basic framework of the Wisconsin approach, and the first of the monographs in the Development Component Series (DCS) for the Urban Land Institute (ULI).
2. A letter to be held in confidence written to a ULI member from a concerned major development firm and forwarded to the ULI Education Committee. This letter expresses the same concerns I was attempting to communicate to you in our phone conversation regarding the type of program considered most relevant to the training of developers. After all, Wisconsin has graduated over 700 persons who are now in the real estate development and finance game and MIT has yet to graduate one from its development program.
3. Our alumni roster, from which you can locate graduates who are achieving executive status and professional recognition. From our first graduates 20 years ago, four are already members of the Real Estate Counselors (CRE).
4. Course syllabi, particularly the development courses 554, 555. Each development course has a detailed field problem in which the student must analyze the physical constraints and requirements before searching for design solutions that are financially viable. One cannot teach finance without teaching about the space-time product to be rented or sold.
5. A current program brochure of courses and degrees offered.

Ms. Mary Rae  
Page Two  
February 15, 1985

6. A preliminary curriculum reorganization for 1987. Note that Real Estate Financial Institutions 551 would become a required core course. Financing from the developers viewpoint would be integrated into a development workshop course of five credits each semester. We have already introduced the Intersession course on Real Estate Encounters.

Teaching development requires a continual interplay among the physical elements of construction, the economics of urban development, the politics of entitlement, the methods of marketing, as well as general management and finance. Other universities combine real estate with finance and insurance in a single department. Wisconsin has traditionally recognized real estate as an individual department and our instructors have always represented a variety of disciplines. The hype given MIT is not based on performance, and we take umbrage at your classification of our program as financial. I am a member of the Board of Trustees of ULI, and as a member of the Education Committee I am very much involved in the introduction of an unbiased treatment of development in university curriculums.

At Wisconsin we have a faculty who are knowledgeable, prideful, and committed to professional education for real estate development; thus we are exasperated with a misinformed press, probably responding to the political network of the East Coast Establishment.

Sincerely,

James A. Graaskamp, Ph.D., SREA, CRE  
Urban Land Economist

jtc

Enclosures



Dianne Orbison, Alumni President  
Mutual Service Life Insurance Company  
P.O. Box 64035  
St. Paul, MN 55164

University of Wisconsin Real Estate Alumni Assoc., Inc.  
Room 118 • School of Business • 1155 Observatory Dr. • Madison, WI 53706

## ALUMNI NEWSLETTER

### WOW - WHERE TO BEGIN?

This bundle of messages will be organized into a more presentable Alumni Newsletter for the Spring edition, thru the efforts of Dan Volpano and crew of volunteers. In the meantime, we will try to communicate with some high impact information bits, hopefully shot from a small bore.

### October Alumni Seminar

By all accounts the Alumni Seminar was the best and biggest ever as a result of the efforts of many people coordinated by M. S. student Susan Thomas, who once managed seminars and conferences for FNMA.

Total official attendance was 365 persons, of which 93 were current real estate students and 257 were Alumni. There were 15 non-alumni speakers, as well as a majority of spouses and spices.

Lowell Hall Management reported that the Real Estate Alumni set a new record of \$600 per hour per cash bar during Friday evening's cocktail session.

A general accounting as of November 22, 1985 would look like this:

Starting Bank Account:	\$ 87.78
Pre-registration Revenues:	26,973.93
Plus: Registration Revenues at the door:	5,077.00
Plus: Pass throughs for tickets and meals:	10,480.14
Less Refunds:	<u>- 1,046.40</u>
Total Revenues	\$41,572.45
Less Pass throughs:	-10,480.14
Less Expenses:	<u>-24,052.06</u>
Total	\$ 7,040.25

The profit will be approximately \$7,040.25; this will be transferred to the Alumni Foundation Account 199 to cover administrative costs of the Alumni Program and the legal costs of organization, fund raising, scholarships, and related programs.

The only real loss was the fact that there was no time to visit with each of you personally to learn about the fascinating projects and procedures you are all into. By the time I covered administrative duties and airport greeting chores for the speakers there was no time to visit. I want to thank you all for your continuing support, and loyalty despite my seeming neglect for your offerings of case studies, computer programs, and job leads. We are assimilating all of these as we go along even though I sometimes forget to send along a thank you note.

We have probably outgrown Lowell Hall for 1987 and will try to make arrangements with the Concourse Hotel.

## Alumni Association Reorganization

The letterhead on this newsletter reflects reorganization of the Real Estate Alumni Association and the election of Dianne Orbison as President. A letter from Dianne is enclosed as part of this information package.

## Alumni Capital Endowment Fund Program

The Alumni Reunion Banquet was the kick-off for an endowment fund campaign to raise \$1,350,000 over the next three years to support and expand the teaching resources of the real estate program. The campaign is co-chaired by Stuart Ackerberg and Tom Klein. Suffice it to say that the goals are to raise \$600,000 from Alumni, \$600,000 from Industry, and \$150,000 from foundations. At the Alumni Banquet 205 Alumni formally pledged \$249,289 of individual gifts, of which \$70,490 was due in 1985 with the balance over the next two or three years. If we continue to average pledges of \$1,500 for three year payment we will meet our goals from Alumni by 200%. In addition corporate pledges for \$25,000 each were received from Dillon Inn Corporation (Roger Doehring) and Wells Fargo Advisory Corporation (Frank Petri and Peter Hitch). In addition our guest of honor, Claude Ballard and his wife Mary, contributed \$7,500 from the Ballard Family Foundation. He received the Wisconsin Real Estate Alumni Award for Distinguished Service to the real estate industry, but he did Wisconsin far more honor by accepting it, contributing to the program and then sending the letter enclosed. We thought his marvelous letter should be shared with all of you.

Each of you will be contacted by a fellow Alumnus to deliver a detailed packet of materials on the plans for these funds. In addition, you will learn how to obtain an Alumni Association button, a prism of Universal Real Estate Problem Solving Techniques to replace the crystal ball, and walnut plaques representing your mentors, Ely, Ratcliff, Andrews and Chief.

## Computer Software

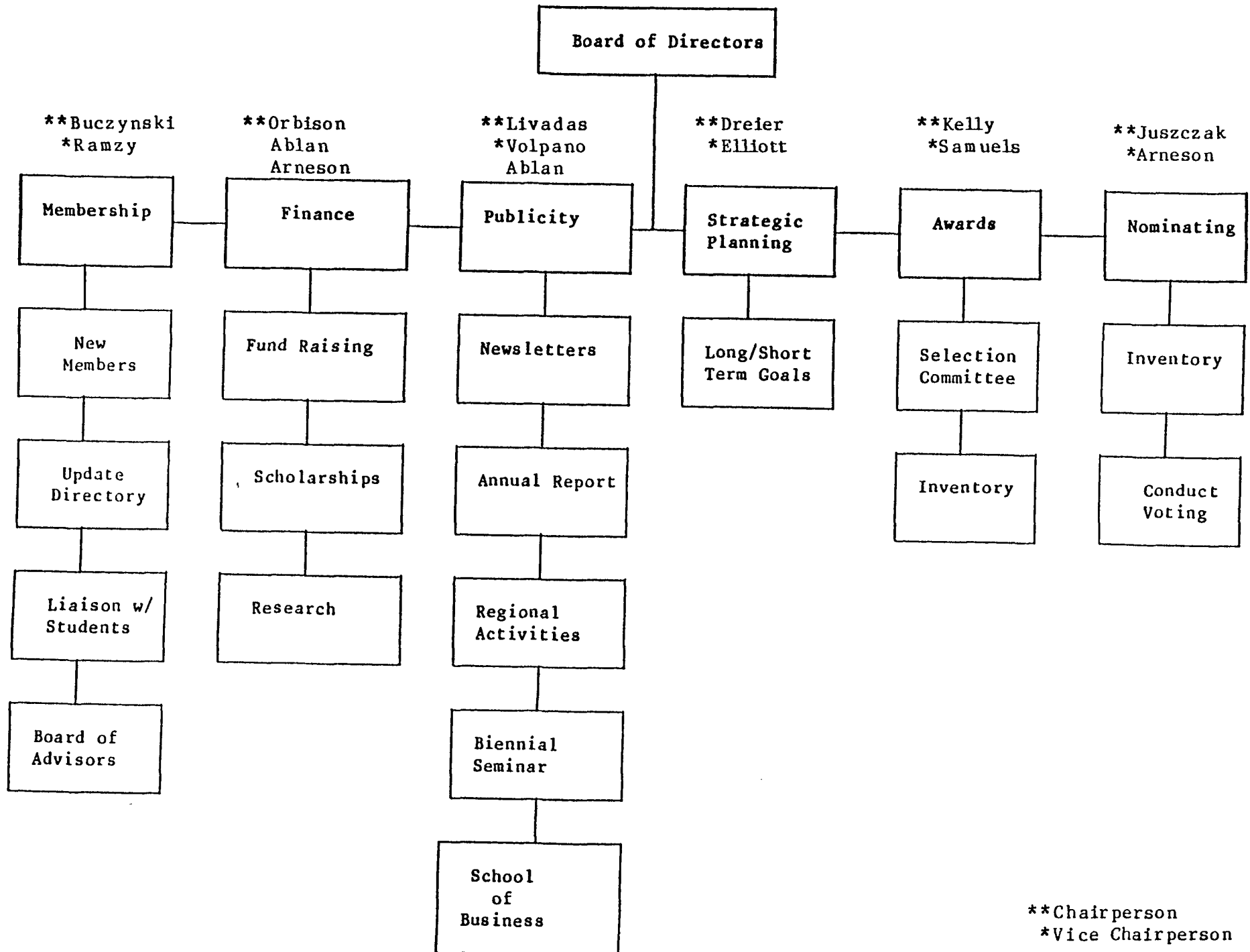
You will be receiving news from Mike Young of Ahlaes and Young Information Systems, Inc. relative to their micro-computer systems for IBM, Compaq, AT&T, and Wang micro-computers. Purchases by Alumni or as a result of Alumni efforts will result in a 10% rebate to the Alumni Association.

## Report from the President

As the Chief has indicated, the biennial alumni seminar was a success due to the efforts of many people. It will be a challenge to plan an even better seminar two years from now.

The day before the seminar, the Board of Directors met to discuss the issues and activities of the Association. The by-laws were revised to more adequately serve the Association. One of the key changes was to shorten the directors terms of office from six to four year staggered terms with half of the Board up for reelection during the years of the biennial seminars. The directors also are chairing six committees which facilitate the activities of the Association. The six committees with underlying responsibilities and designated directors are listed as an exhibit to this newsletter.





The Association with its growing membership, desire for excellence, and future plans needs additional help on these committees. Many of you have offered your support in the past, but the Association was not capable of fully utilizing your help. It is now in a better position to do so and more than ever needs your support. If you would like to serve on a committee, contact the appropriate director/chairpersons. Also, if you want to serve as a director or officer of the Association, contact Roger Juszczak or Mike Arneson who chair the nominating committee.

A \$1,350,000 endowment fund drive was kicked off at the seminar. The fund, managed by the Wisconsin Foundation, will be used to maintain the quality and enrich the curriculum of the Wisconsin real estate program. Within the next several weeks, you will receive a brochure describing the fund. When you consider making your pledge, I hope that you will remember the quality of your education, the professional network of which you are a part, and the pride of being associated with the University of Wisconsin real estate program. To help track the pledges made during the three year drive, Stacy Dibbell, Madison, Wisconsin, is serving as Endowment Coordinator.

The concept of an additional endowment fund, beside the University of Wisconsin real estate endowment, was explored to fund certain items not permitted by the University of Wisconsin and the Wisconsin Foundation. Considerable research of the concept has led to the conclusion that it is infeasible. Alternatives are being explored to achieve the other funds objectives.

When you opened your newsletter, a bright pink envelope probably caught your attention. The pink envelope has become a tradition at this time of the year. It is used to generate contributions for account #199. Whereas the endowment is a fund to enrich the real estate program, account #199 provides for \$8,000 of student scholarships and the operating budget of the Association. This account pays for such operating items as newsletters, postage, and alumni address lists.

In lieu of \$50 dues, your tax-deductible contribution to this fund will provide the funds necessary for the student scholarships and operating budget.

It may seem that this newsletter differs from past newsletters in that it is filled with a lot of discussion concerning charitable contributions. The reason for this is the recognition of a goal by many that we must maintain and enhance the University of Wisconsin Real Estate Program. We are at a crossroads in regard to the future of the program. Your support is needed. During the next four years, I look forward to helping the association achieve this goal.

#### Employment Opportunities

A number of high level management positions available that were reported to us following the Alumni Reunion have been copied and attached to this newsletter.

WISCONSIN REAL ESTATE ALUMNI ASSOCIATION, INC.  
BOARD OF DIRECTORS

Term  
Expiration

Term  
Expiration

1987 John D. Dreier  
NORTHWESTERN MUTUAL LIFE  
219 Perimeter Center Pkwy., #460  
Atlanta, GA 30346  
(404) 396-4800

1987 Mary P. Buczynski  
NORTHWESTERN MUTUAL LIFE  
720 East Wisconsin Ave.  
Milwaukee, WI 53202  
(414) 271-1444 ext. 4492

1989 Daniel J. Volpano  
J.P. MORGAN INVESTMENT  
MANAGEMENT, INC.  
9 W. 57th Street  
New York, NY 10019  
(212) 826-7194

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NORTHLAND MORTGAGE COMPANY  
7535 East Hampden Ave.  
Suite 300  
Denver, CO 80231  
(303) 337-2322

1989 James J. Ablan  
MEYER INVESTMENT  
PROPERTIES, INC.  
401 N. Michigan Ave., #525  
Chicago, IL 60611  
(312) 321-1521

1987 Roger J. Juszczak  
WESTCOR PARTNERS  
11411 North Tatum Blvd.  
Phoenix, AZ 85028  
(602) 996-2870

1989 John W. Ramzy, Ph.D  
DICK MATZ AGENCY  
424 Anderson Lane East  
Austin, TX 78752  
(512) 836-7030

1989 Michael Arneson  
OPUS CORPORATION  
9900 Bren Road East  
Minneapolis, MN 55440  
(612) 936-4460

1989 Kate Elliot  
LAVENTHOL & HORWATH  
425 Market St., Suite 3600  
San Francisco, CA 94105  
(415) 896-1800

1987 Kenneth G. Livadas  
SHIDLER MANAGEMENT GROUP, INC.  
1645 N. Vine St., #701  
Los Angeles, CA 90028  
(213) 465-1400

1989 Michael J. Samuels  
FIDELITY MUTUAL LIFE INSURANCE  
250 King of Prussia Rd.  
Radnor, PA 19087  
(215) 964-7273

President

1989 Dianne M. Orbison  
MSI INSURANCE  
Box 64035  
St. Paul, MN 55164  
(612) 631-7472

Claude M. Ballard  
Partner

Goldman  
Sachs

October 28, 1985

Dr. James R. Graaskamp, Chairman  
Real Estate and Urban Land Economics  
University of Wisconsin, School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706

Dear Jim:

What a delightful and moving experience! All those fine young people with such camaraderie and dedication.

As a most interested, grateful observer and honoree, from the bottom of our hearts, Mary and I thank you, Jean and all your fine colleagues both in and now out of "The Program". Please convey to them our best wishes.

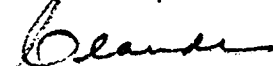
I cannot help but say I've never seen anything like it. For a first class of seven, only in the work force twenty years, and all those young men and women, many who must still be repaying loans for their education and supporting growing families, the response was overwhelming. In my judgment the magnificent number far more than seven. It was a tremendous tribute to you and what you've accomplished. My hat's off to you, and I was very proud to be a part of it.

Enclosed you will find our family foundation's check for \$2,500 for the first year's pledge. You will be pleased to know we operate on a November 30 fiscal year so will be in a position to complete the next third by the end of this calendar year, with the final third being available late within calendar 1986. Only a crazy Wall Streeter could squeeze three years into about 13 months.

As an "Honorary Member". I hope you will permit me to stay involved.

Again, many, many thanks for an experience we shall always cherish and never forget.

Warmest personal regards,



CMB:ssw



# NEWSLETTER EQUITY KICKER

VOLUME I

Spring 1986

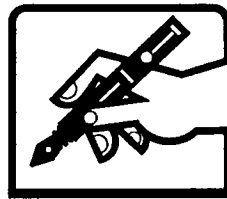
## Introducing EQUITY KICKER

On behalf of the University of Wisconsin Real Estate Alumni Association, I would like to thank Professor Graaskamp, Karen Wilbrecht, and Rich Jortberg as editors in charge, for their efforts in preparing the first issue of the new student-based Alumni Newsletter. The intent of this and subsequent issues will be to create a newsletter of professional content and character that is entertaining, informative and meaningful to students, alumni, and industry colleagues.

Based on the input from students, academics and alumni, a student staff will coordinate and assemble an alumni newsletter in the spring and fall semesters. Each edition will feature remarks from the "Chief" allowing him to pontificate on the issue/s of the moment, while including a variety of other discussions related to research at the University level, market reviews prepared by local alumni and general administrative items of interest to the Alumni Association.

The long term objective will be to upgrade the newsletter's character and focus to compete with other respected forms of industry literature available on a subscription basis. For the immediate future, however, the newsletter will serve its traditional role to convey the affairs of the U.W. Real Estate Program and the events of the Alumni Association and its members.

—Dan Volpano



## A Letter From Chief

The major news during the Spring Semester centers around fund-raising, staffing, and student activity. The School of Business is generally demoralized by further reduction in financing by the Legislature and Chancellor Shain, who will not reallocate scarce resources toward programs with a vocational orientation. Professors with less than two dozen students continue to be employed in the liberal arts area while our T.A.s must teach at least 55 students in a section.

The R.E. Alumni have already deposited as of March 31, 1986, \$130,000 in cash in the Endowment Account, which now has a balance of \$247,000, and another \$8,500 in the Alumni Dues Account. With the help of the local alumni, Chief has been calling on potential corporate donors in Chicago, Milwaukee, Minneapolis, and San Francisco. The first confirmation is a \$50,000 gift in two installments from Prudential! That amount is in addition to the matching gifts made for the generous support from Prudential Wisconsin Alumni. The Birtcher Group has pledged \$25,000 and their attorneys \$15,000 more. Hopefully, the next Newsletter can report at least a half dozen corporate gifts.

The Department buying power and alumni clout has already had an impact. Dean Hickman reversed his earlier position and has permitted us to use Alumni funds to fill the gap between an appropriate salary level for Prof. Robbins and the instructors pay at which he had been fro-

zen due to the Governor's austerity program. As a result, Mike Robbins will stay at Wisconsin rather than venture to Alaska or elsewhere. He will achieve tenure together with Dowel Myers over the next three years. Research assistants funded by the Real Estate Fund will be available to multiply their publication efforts. Both Robbins and Myers are receiving high grades from the students for intensive class preparation, detailed lecture notes, and carefully structured problem assignments! On the other hand, Chief is barely passing on instructional points as he tries to teach four courses. While the Marketing Department and Finance Department have been decimated by faculty departures, including Pappas, Kroncke, Haugen, Houston, and Peter the R.E. Department is becoming one of the stronger, best known programs in the School of Business.

The U.W. Real Estate Endowment Fund is sponsoring a series of seminars concerning various real estate topics during the 1985-1986 school year.

On February 28, Randy Alexander and Paul Lenhart, from the Alexander Company, discussed their approach to creative renovation of the Madison market. An excellent slide presentation of the Bindery Court Apts., formerly Grimm's Book Bindery, and the Mansion Hill Inn helped illustrate the full range of possibilities.

Professor Marc Weiss, a professor from U. of I., Chicago, spoke that afternoon about the history of land economics and the American subdivision. Marc covered the actions and policies of Richard T. Ely and the F.H.A. in great detail.

On March 14, Bob Gray and Michael LoFurno from John Rahenkamp & Assoc. discussed the firm's unique, environmentally sensitive problem solving development process. Bob and Michael illustrated the firm's approach via several examples:

(continued on page 8)



## From the President

The endowment fund drive is progressing and was recently given a boost by Prudential's \$50,000 pledge. Alumni have been very responsive to the endowment, which is greatly appreciated. Thanks to all of you who have contributed and to those alumni who have spent time and effort seeking those contributions. As corporations are solicited, it is important to show them that the alumni support the real estate program and endowment fund. If you have not already given but would like to do so, please contact your regional director or Stacy Dibbell at (608) 274-1931.

Several alumni and corporations have expressed their philosophies against giving money to a state supported school endowment fund. A few of these alumni and corporations have satisfied their philosophical views by contributing money for specific purchases, such as reference materials and equipment. Although there is not a long list for such purchases, the Chief has indicated that the real estate department could use the following:

1. Video graphics package
2. Purchase of additional computer research time
3. Personal computers
4. Funds to convert Room 118 into a graduate students' ready room.

Although the major thrust of the endowment campaign is to provide funds

for salary and research enhancements, hiring an additional professor and teaching assistants, and providing guest lecturers, these additional assets for the real estate program are important and appreciated.

There is also another way that you can help the real estate program. The endowment fund can supplement professor's salaries only to certain levels prescribed by the University. These salary levels are still below industry standards. Appointing Professors Graaskamp, Robbins or Myers to your company's board of directors would grant them supplemental income, provide them with direct exposure to the real estate industry (e.g. case studies), enhance the U.W. real estate program's prestige and exposure, and provide valuable input to the corporations. Professor Graaskamp was recently appointed to a panel of real estate experts at Solomon Brothers.

Several alumni have discussed a scholarship from their region. Under certain conditions, the University of Wisconsin Foundation will match funds for such a scholarship. For more details on this program, please contact the Foundation's Don Gray at (608) 263-1658 or (608) 262-8679.

The State of Wisconsin, the University, and School of Business, are experiencing severe budget cuts and constraints which are filtering down to the Real Estate Department. It is important that we let the State, University and Business School know how important education and the real estate program really are. Letters to state politicians (such as Governor Anthony Earl), Chancellor Irving Shain, and Dean James Hickman expressing our concern and need for support are necessary. Anytime that the University of Wisconsin real estate program is mentioned in print or it has a positive impact on the real estate industry, please send this information to these individuals so that they know the importance of saving and enhancing the real estate program.

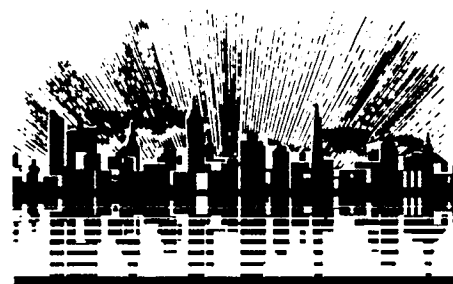
The addresses are as follows:

Governor Anthony Earl  
115 East Capitol  
Madison, Wisconsin 53703

Chancellor Irving Shain  
Office of the Chancellor  
University of Wisconsin-Madison  
158 Bascom Hall  
Madison, Wisconsin 53706

Dean James C. Hickman  
University of Wisconsin-Madison  
1155 Observatory Drive  
Madison, Wisconsin 53706

—Dianne M. Orbison



## City Lights

Over the past two years an interesting real estate phenomenon has focused national and international attention on Atlanta. Several residential subdivisions in the area's rapidly-growing North Central market have organized, packaged and sold their homes to developers for high rise office projects.

The driving force behind this phenomenon is the emergence of the Perimeter Center area as a prime office market. Over the past five years, land prices in the perimeter market have increased from \$500,000 per acre to a recent sale of \$1.35 million per acre. This tremendous growth has spurred many homeowners to sell their \$90,000 homes for \$200,000 + and move elsewhere.

Probably the most famous sell out to date involved 244 homeowners who packaged 85.5 acres together and sold it to a Texas developer. The sale involved two subdivisions and it included newer, larger homes with 1/3 acre lots as well as older, smaller homes with lots ranging from 1/2 to 1 1/2 acres. The contract to purchase the property, located at Ashford-Dunwoody Road and Lake Hearn at I-285, was for \$244,000 per home, regardless of size, age, or quality. Sale terms included a clause making the transaction subject to rezoning by DeKalb County.

Both the buyers and sellers believe this transaction is the largest of its kind, and public interest in the deal was swift and widespread. Media attention included a fifteen minute segment on the Today show as well as coverage by *U.S.A. Today*, *The Wall Street Journal* and many other major publications.

The implications of this real estate trend remain to be seen, but one thing is certain: homeowners are now flexing their economic muscles by playing a key role in land use decisions in Atlanta.

Footnote: The developer's rezoning request was denied by DeKalb County and the rezoning is presently in litigation.

—John Dreier

## EQUITY KICKER

VOLUME 1 SPRING 1986

Published bi-annually for the members of the Wisconsin Real Estate Alumni Association, 1155 Observatory Drive, Room 118, Madison, Wisconsin 53703.

"Chief" Editor  
Professor J. A. Graaskamp

Assistant Editor  
Karen M. Wilbrecht  
Masters Candidate December 1986

Staff Editor  
Richard Jortberg  
Masters Candidate December 1986

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Ken Livadas  
Shidler Group L.A.

Daniel J. Volpano  
J.P. Morgan Inv. New York

President, Alumni Association  
Dianne M. Orbison  
MSI Insurance Inv. Minnesota

## The Alaska Connection

—Mike Robbins

As many of you know, the Chief and I have been doing work in Alaska, and I have been asked to summarize our involvement to date and postulate what some future activities may be.

The Alaska land mass covers an area of approximately 375 million acres. The ownership of this vast area is divided between government (both State and Federal) with 83%, 12 Native corporations with 12% (44 million acres), and the balance, 1% in private ownership. With this limited amount of private ownership, located in only a few population centers, the Alaska situation provides an exciting opportunity to observe and learn from the land use decision making process. In essence, Alaska can be viewed as a unique laboratory for land use policy and economic assessment evaluation. To date our involvement has been in working with the Native corporations trying to assist them in coming to grips with their land asset base.

The types of land based decisions that we have been dealing with can be divided into two general categories. There are the decisions associated with lands in their natural state, for which there is no historical value, as well as decisions dealing with improved lands. From this point, I could take a multitude of directions in discussing the issues we have been trying to deal with, not the least of which is education. For the purpose of this overview, I will concentrate on economic assessment. I will not use the term appraisal for fear that what we provide will be matched against what the appraisal industry and government units accept as economic indications of value.

### Economic Assessment of Natural Land

The range of problems presented in attempting to determine the value of natural lands in Alaska is staggering, but then so are the opportunities. The Alaska land mass offers some of the last truly natural landscapes under direct control of the industrialized countries of the world. The extent, complexity, and scarcity of the unique and diverse landscapes offers unique challenge in attempting to develop valuation theory that is sensitive to these conditions and is supportable in the market place.

Central to our work in this regard is dealing with the issue that the appraisal

profession refers to as "Highest and Best Use." Alaska offers a clear and unique confrontation between traditional appraisal, expounded by the industry, and contemporary appraisal as developed by Ratcliff and operationalized by Graaskamp. For example, imagine the following situation. You have been asked to determine the market value of a tract of unimproved raw land of approximately 14,000 acres in size which has no historical value, i.e. no beginning point. Since the subject property is raw land the cost approach wouldn't work, unless it was possible to replicate the cost of building a natural landscape complete with mountains, glaciers, rivers, etc. Don't laugh—ask any highway department the cost of reconstructing a swamp. In Wisconsin, and most other states, when a government action removes a scarce natural resource, such as a wetland during road building, it must replace it with an additional area of equal quality. With the cost approach ruled out, the appraiser is left with the income and market data approaches. Since the land is unimproved, the ease and associated skill needed to apply a developmental income approach will quickly rule it out. Thus, the appraiser is left with the market data approach, the approach usually found most acceptable in the first place.

The application of the market data approach is predicated on a single critical assumption, that transactions of properties of similar utility and attribute combination have already occurred, otherwise there would be no transaction thus no indicated market. This sets up the confrontation between the appraisal profession and the contemporary approach. The contemporary approach, as illustrated in Graaskamp's book, *The Appraisal Of 25 N. Pinckney*, demands that the economic assessment (appraisal) begin by first defining the purpose of the value being estimated and then going directly into a systematic and structured analysis of the subject property so that those significant attributes capable of interacting with people can be identified. This is the critical step that we have been employing, new and exciting technology advances. Through the use of Computerized Land Information Systems, we have been able to begin the evaluation of the subject property at a level of sophistication heretofore unheard of in the normal course of appraisal context. (Almost the entire state of Alaska is inventoried at a 40 acre level and significant portions are inventoried to resolutions as small as 10 acres or less.)

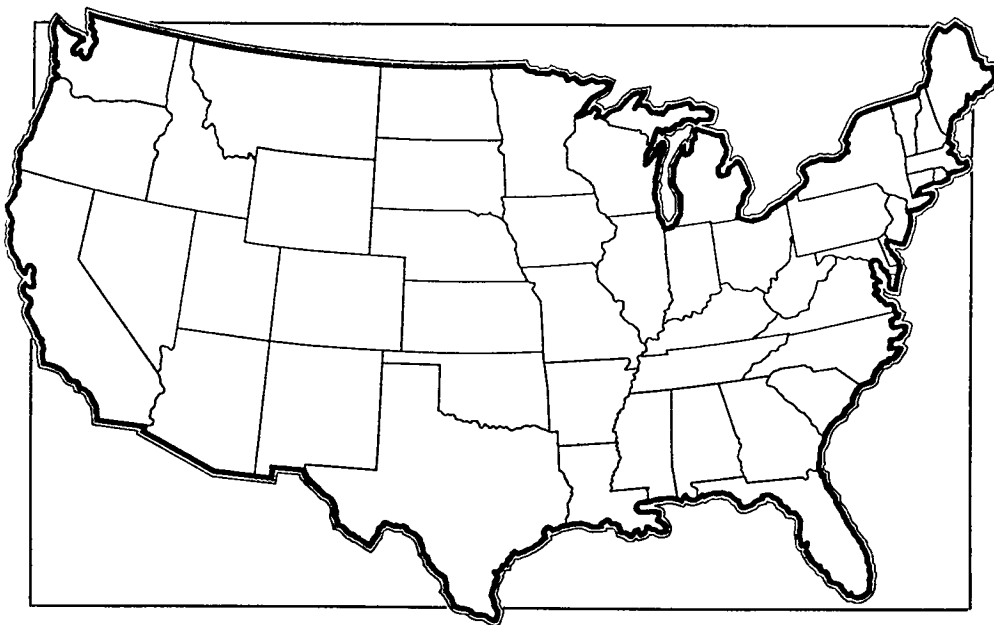
For the example subject property of

14,000 acres, the analyst must first recognize that the combination of physical attributes present on the site may have some impact on use selections for the subject property. Attributes such as soil type, depth-to-rock, depth-to-water, vegetation, and slope will have an impact on the suitability of the site for various uses. Accepting that most appraisers have a difficult time deciding when to use the I.R.R. versus the M.I.R.R. to measure economic performance, a relatively simple matter once you understand the underlying assumptions, the idea of doing physical suitability analysis is mind boggling, especially since no one has taught them how. But, that is exactly what the acceptance of the definition of "Highest and Best Use" requires. By utilizing the state's information base and software that we have developed for the IBM PC we can evaluate each separate 40 acre cell making up the subject property. This unique type of analysis gives us the ability to map the suitability ranking of individual cells making up the subject property. The net result is that we are able to develop detailed analysis procedures from which we determine the range of suitabilities available on the subject which in turn supports our selection of possible use options for testing to determine the site's "Highest and Best Use."

To date this methodology has led us to determine that the "Highest and Best Use" for the Ahtna project to be an "Economic Corridor" while the appraisers determined the use to be "Recreational Second Home." The differences in use determination resulted in significant valuation differences. The appraisers determined the value to be \$200,000 and we determined the value to be \$7,500,000. The appraiser's value was supported by the assumption that second home buyers were the only market for this land, since that was the only market for which there was readily available data. By beginning with the subject and applying our analysis techniques, we were able to show that the property had an almost perfect monopoly on alternative routes for the transport of goods and services.

For future work, it is our intent to advance our analysis techniques so that they can be easily applied to subject and comparable properties and then linked together with the MKTCOMP program for automated pricing. This is what we did in the PACK River project where we determined the "Highest and Best Use" to be Wilderness and then went on to price it as such.

(continued on page 8)



## From the Provinces

On the west coast, Rob Curtis, Security Pacific Mortgage Corporation, reports:

Tim Brown of Victor Palmieri & Company set up temporary residence in Washington D.C. to begin disposing the remains of EPIC. Ken Livadas joined the Shidler Group last September as a principal and is about to close his first deal with the company. Ken is moving Shidlers' L.A. office to the 33rd floor of the new Citicorp Tower in five weeks. Arthur D. Little and Company is making a bid to corner the largest share of U.W. talent with the recent addition of Paul Rezens who joins Jack York and John Walsh. Kevin Dretzka is now with Heron Financial to handle equity and joint venture placements in a variety of creative financing vehicles. Terry McCarthy made entry into the exclusive club of property owners with his recent purchase of a ski condo in Mammoth Lakes. (Very nice, sleeps up to eight comfortably, for reservations call 213/376/2518).

In Orange County, Mark Eppe and Chris Novak are among the best of the recent new talent brought into Pac Mutual. Stu Ackenberg has been promoted to Executive Vice President in charge of acquisitions for Birtcher, which is about to issue a third fund for \$80 million this spring. Mark Alger moved out here last December from Prudential in Chicago to join Stu and Rob Bergenthal at Birtcher. Don Bredberg joined the Irvine Company from Peat Marwick to assist the company in setting up a financial monitoring system. Kevin Hanson jumped the sinking

remains of Equidion and disappeared without a trace. Kevin if you are still out there and read this, please call.

The Southern California contingent is growing rapidly and is now approaching the critical mass size necessary for developing areawide notoriety. We continue to receive strong interest from existing alumni and new graduates, and if we maintain the same explosive pattern of growth experienced over the past two years, the U.W. name will soon command the same degree of fear and respect that our "Mafia" counterparts to the north enjoy.

Speaking of the North, on Thursday, March 20, Professor Graaskamp was the featured guest speaker for a dinner banquet sponsored by the Minnesota Chapter. This annual event gives employers and business associates of U.W. Real Estate alumni the chance to visit with Chief and hear him speak about current real estate issues. Proceeds from the banquet, held at the Hyatt Regency, will be used to establish a U.W. Real Estate scholarship in the name of the Minnesota Chapter.

The Minnesota Chapter, now some 70 professionals strong, routinely congregates for a variety of social and sporting gatherings. A highlight of 1986 promises to be the grand opening of "Back to School," a movie filmed last summer in Madison starring Rodney Dangerfield. Other upcoming activities include Brewers vs. Twins baseball games and the annual summer picnic.

In Minnesota alumni news:

- Bill Abel recently accepted a position

with Wells Fargo Realty Advisors, after taking some time off to work on his house.

- Darrell Koehlinger joined Towle Real Estate.

- Mylo Pinkerton reports that he has settled into his new job with ITT Industrial Credit Co.

- Stew Stender has been named a partner in the Minneapolis office of Trammell Crow Company.

Thanks to Michael Arneson of the Opus Corporation for this report.

Chicago area real estate markets are very active in response to a favorable financing climate, spring development starts and continued investor demand for real estate product. The University of Wisconsin Real Estate Alumni are busily contributing to capitalize on market opportunities. The Alumni Association meets for lunch on the last Friday of the month. Lately the location of the lunch has moved from the balcony pizza parlor on the south side of the tracks to upscale luncheons on the Magnificent Mile. All Chicago area alumni are welcome to get on the mailing list by writing to:

Jim Ablan

Meyer Investment Properties, Inc.  
401 N. Michigan Ave.

Suite 525

Chicago, IL 60611

Jim Magnanenzi and Steve Meyer are spearheading the fund-raising effort for this region and plan to launch their campaign in the second quarter of this year.

In the New York area, Ted Kostendt reports that the Wisconsin movement is really beginning to gain momentum of late in the Big Apple City region of the universe. New graduates from the program heading east in search of fame and fortune include Dave Nankin who joins Ed Jorae at Integrated Resources and Peter Thomson who joins Dennis Anderson, Richard Reuter, and Werner T. Kostendt at L.W. Ellwood and Company. Ted and his wife Patricia, another Wisconsin alumna, are in remarkably good condition, as they rapidly approach their first year as parents of identical twin girls. Chuck Segal, after strutting his stuff at Ellwood has moved over to Segal Associates.

Meanwhile, Lisa Richman has returned to the New York area and is now working for Stephen Brener Associates, the hospitality consulting firm. Dan Volpano, our illustrious representative on the regional board of directors, has been the driving force behind our group's development into an active organization. Dan



is now heavily involved with the action at J.P. Morgan Investments.

Last year the regional membership gathered officially on two occasions, once at the University Club and once at Lorengo's on Second Avenue. Attendees included such heavy hitters as Andrew Singer of Ackman Bros. and Singer, Terry Esquivel and Phil Schulz of Prudential, Dick Shima who has orchestrated Merrill Lynch's move into the commercial real estate advisory and appraisal business, Aaron Lichter who is at Coldwell Banker, Stuart Walton of Walton Associates, Chris Fusillo of Planned Expansion Group, Jean Davis of Landmark Research, and Chief himself. Attendees, including Rhea Schultz, arrived from as far as Hartford, Connecticut.

One of the significant benefits of agglomeration already accruing to our young group here, is our growing information and communication network. A particular manifestation of this development is the Manhattan real estate data bank exchange established by Brian Furlong. Anyone wishing to subscribe or contribute to the data base should contact Brian at BA Appraisals in Manhattan (212-503-8407).

One of the significant bits of information that most of us in the New York area have become aware of is that real estate throughout the nation is becoming increasingly controlled from New York. As the real estate industry becomes increasingly securitized and institutionalized we seem to be seeing more and more "super-mega-deals" involving literally billions of real estate dollars emanating from New York centered finance and real estate industrial systems. Decisions affecting real estate throughout the nation are being made in New York. Paradoxically, this emerging sector of the real estate industry, because of its dependence on the long established capital market infrastructure, is dominated by stocks and bonds people. Consequently, there is a great need for help in controlling the allocation of the massive resources available for real estate investment in an efficient and equitable manner.

Life is undeniably a greater struggle in the New York area, but the rewards and opportunities are magnified. The industry needs you here. The members of the northeastern alumni strongly encourage and welcome inquiries regarding employment in our region.

In the Philadelphia area Mike Samuels thanks Mayor Goode and the MOVE organization for their "Urban Removal"

Program. On a more serious note, Art Pasquarella, a Vice-President in the investment brokerage division of Helmsley-Greenfield notes that he has been active in both the residential and commercial markets in and around Philadelphia. This market is amongst the best in the nation and has attracted national investor attention. Art has seen a marked increase in interest for single-user bulk warehouse and light assembly industrial space. Art believes desired investment yields are coming down in light of recent interest rate trends and through prices being bid up on the scarcity of investment grade property.

Mike Samuels, Senior Vice President of Radnor Financial Group, a syndication subsidiary of the Fidelity Mutual Life Insurance Company has been working on two historic rehabilitation projects providing 150,000 sq. ft. of CBD office space. In addition, RFG will soon unveil plans for the new construction of 200 apartment units in Center City Philadelphia. Mike foresees dramatic changes in the syndication business in terms of structuring and marketing tax-advantaged investments due to the dismal performance of major syndicators since the 1982 recession and in light of low inflation rate expectations.

Joe Pasquarella, founder of Joseph Dennis Pasquarella & Co., an appraisal and consulting firm, reports that the firm has just completed macro-market studies which highlight market trends and investment opportunities in the Philadelphia and Chicago metropolitan areas for a major client. Through an increasing volume of assignments, Joe sees a significant trend toward shopping center development and acquisition for rehabilitation.

One final note, Joe and Mike recently lectured at the University of Pennsylvania's Wharton School of Business. The topics covered were trade area analysis and underwriting shopping center acquisitions. Their report: U.W. students are far more sophisticated in real estate analysis than the so-called prestige business schools of the Ivy League.

Kevin Kelley, from the Denver area, informs us that they held their Christmas party at Rus Hackstaff's for the local alumni group which was attended by approximately 25 alumni and their spouses. The mood was festive despite everyone's concern with the local economy and the softness in the real estate markets.

Recent job movements/transfers include Bill Evans who joined Murray Properties, Chris Casey who joined MONY

Real Estate, Ryan Toole who joined Prudential's real estate arm, Bob Sweeney who joined Denver Property Associates (although he's still acquiring apartments on the side), and Randall Seegers who joined Knowlton. Rumors are circulating that Ed Suharski has retired from Knowlton. Also, the Ginther Wycoff Group merged with Laventhol and Horwath so Jon and Steve Wagner have moved downtown into plusher quarters.

Deep in the heart of Texas, the U.W. Real Estate Alumni gathered recently at North Point Centre, a modern, first class office development of Murray Properties located in Texas' capital city. Phil Capron, general partner for Dallas-based Murray, kept the group spellbound with exciting development stories and personal experiences. Seven of eight local alumni attended the get acquainted affair.

The Murray Properties partner in charge of Austin and San Antonio including 55 employees, recast his Highland Village development/redevelopment project to the faithful Wisconsin disciples including: Don Mackie former Gerald D. Hines developer now doing his own development projects including Mill Creek residential community in Salado north of Austin, Corridor I & II business parks in Round Rock near Austin, and now the 2,000 acre plus Mountain City Ranch south of Austin; Don Skirrow a custom home builder in Austin; Ruth Spiegel Davis who has formed her own company with her husband—Amberstar Appraisal Group; Frederick M. Marks an architect with Phil Scott & Associates in Austin; Joel Sher, a true-to-heart Wisconsin loyalist and local developer with Kucera Company in Austin; and John Ramzy who spends his time deciphering new watershed ordinances and the like as a general manager of sorts and dirt peddler in Austin for a fellow named Dick Matz.

Everyone enjoyed the gathering, the pizza, the words spoken by Mr. Capron, and the fellowship felt among all. Bruce Perchik recently moved from an investor in Austin to a lender with General Electric Credit in Dallas. Good luck Bruce. Ruth Spiegel Davis and John Ramzy recently got married—that's to other people, you know! Oh yeah, you remember about the seven out of eight alumni who gathered? Well would you believe the guy who couldn't make it was Dr. Terry Grissom. Terry is busy teaching courses at Texas ala the Ratcliff, Graaskamp, Andrews, and now Grissom theories.

The group discussed the fund-raiser now in progress, the biennial alumni fall

gathering and b.s. contest in Madison, and the possibilities of getting together this spring the Dallas, Houston, San Antonio and Austin groups at Mill Creek, Don Mackie's project complete with Robert Trent Jones II golf course between Dallas and Austin. We have heard from some of the troops recently in our Texas, Oklahoma, Arkansas, and Louisiana U.W. Real Estate Alumni. If anyone wants to communicate with and/or join us on the next gathering please feel to contact us:

Wisconsin Real Estate Alumni  
c/o John W. Ramzy  
3300 Harris Park Avenue  
Austin, Texas 78705

Southeastern changes and promotions that have recently taken place include:

Bob Brazee recently formed a partnership called Brazee, Simmons & Company to build custom homes in the \$250,000-\$400,000 price range in the metro Atlanta area.

In November 1985, Leo C. Dolan joined Sheffield & Company, an investment counseling firm, as a principal. Leo will be responsible for all real estate and limited partnership activities for the firm's clients. In December Leo married Talli Rosalie Glossop, forming a general partnership for all the property.

Ken Holmes who joined Trammell Crow Company as a Leasing Agent in 1982, has been named a Partner in Atlanta. He will head up the Retail Division.

Professor Jim Vernor, Chairman of the Real Estate and Urban Affairs Department at Georgia State University, has been elected 1985-86 President of the Atlanta Chapter of the University of Wisconsin-Madison Alumni Association. (Note: Jim has been elected President of the overall university alumni association, not just real estate.)

Howard Zuckerman, President of the Seville Group is currently working on a comprehensive book on acquisitions to be published by Prentice Hall. Steve Lewis and Paula Stevens, who are past publisher and editor and current publisher and editor of National Real Estate Investor, are co-authors on the book.

The Zuckerman \$1,000 scholarship has been awarded to a high-energy entrepreneur, Rita Spence.

Nick Jahnke is now Executive Vice President of the Jackson Group. The address and telephone number is The Jackson Group, Incorporated, 5355 Town Center Road, Suite 1101, Boca Raton, Florida, 33432, (305) 391-8700. His little brother is now in the M.S. program.

On the western front, Tom McMullan and his associate Jim Black have spun off the development operations of the Carl Swensen Company into their own company called KDC, Limited, an affiliate of Hare Brewer & Kelley, Inc. The KDC address is 3350 Scott Boulevard, Suite 6402, Santa Clara, California, 95054.

Seven of the December graduates of the M.S. program have taken jobs in the San Francisco Bay area and space does not permit all of their new affiliations but they will be included in the Directory.

— Stewart Ackerberg has been named Vice President of Acquisition for the Birtcher Group.

The Mike Komppa \$1,000 scholarship has been awarded to Angela Evans to complete her degree during Intersession, a period not covered by the Minority Scholarship Program. Angela and Rita Spence are doing an outstanding feasibility study for the Madison YWCA Remodeling Project.

On a final note, Dale Antrim, M.A.I., reports formation of his own company, specializing in investment property appraisals, sales and financing, known as The Antrim Company. The address and telephone number are 6405 Metcalf, Suite 317, Overland Park, Kansas, 66202, (913) 262-1343.

In Milwaukee, Jon Hammes is the toast of downtown redevelopment. The *Milwaukee Journal* has only nice things to say about his downtown redevelopment project, the theatre district mixed use project including a hotel, office space and repertory theatre in a former generating plant adjacent to the old Pabst Theatre. He was recently honored as a father of four by Family Service for his civic contributions, which include Director of Children's Health System of Wisconsin, Family Services of Milwaukee, Boy Scouts of America, Milwaukee Symphony Orchestra, Forward Wisconsin and Heartland Value Fund, and he is also grand marshal of the City of Festivals Parade.

Bill Huberty is still in the M.S. program but has published two articles on pension fund real estate investment in the *Real Estate Review* this year and has won the Harwood Real Estate Scholarship, granted by Bruce Harwood, a professor of real estate and author of a successful real estate brokerage principles book. Needless to say, real estate professors will be keeping a sharp eye on this type of trouble maker.



## POSITIONS AVAILABLE

### Vice President Real Estate Acquisition Boston Financial Group Incorporated

#### Specific Responsibilities

- Responsible for the investigation of all potential acquisitions from the perspective of the marketplace, the structural aspects of the buildings, regional demographics, the financial structure of each transaction, and each project's specific investment potential risk.
- Requires the identification, evaluation, and acquisition of properties for the Institutional Pension Group. Current funding includes some institutional funds and some private placement funds, however, additional institutional funding and a large public fund with significant dollar volume is anticipated.
- The real estate to be acquired will be predominantly commercial properties, but may include some apartment buildings. All equity structures are anticipated initially. Some participation in the process of marketing to institutional clients will be expected.

#### Compensation

- Compensation will include a base salary of \$100,000 to \$200,000 and may include incentive equity interests in institutional and investment banking vehicles. Equity in Boston Financial may be considered at a later date.
- The ideal candidate is bright enough to be effective within the Boston Financial culture and possesses excellent communications, interpersonal, negotiating and analytical skills. He or she is innovative, energetic and has the highest business and personal ethics and integrity. This individual also has the courage to pursue unpopular directions or projects if he or she really believes in them.
- The candidate has the ability to perform well and even enjoy pressure. He or she is a team player, has solid organizational instincts and leadership qualities.

#### Education

- The ideal candidate may have an M.B.A. and will have an undergraduate degree from a competitive college, and will have developed a wide range of personal interests.

#### Experience

- The ideal candidate is now probably with an insurance company, bank, real estate advisory firm or REIT.
- He or she currently may head the real estate acquisition function in a smaller to medium sized organization or may be the number two or three individual in a large situation, and is clearly coming from the investment "buying" area as opposed to the lending side.
- The individual will have sound background in buying of properties, bidding, closing and negotiations, in-depth real estate marketing experience and the ability to analyze and understand all financial implications.
- The individual has an excellent track record of buying investment grade commercial properties, has a commitment to product excellence, and has demonstrated that intuitive "feel" for the really outstanding property. Also, has the experi-

ence and ability to analyze both the structural, demographic and business/financial aspects of the real estate considered.

- He or she should also have demonstrated that innovative ability to determine trends and surface new directions and opportunities before they are "discovered" and well established.

#### Contact

Jack J. Kilkelly, Vice President  
Organizations Resources Inc.  
63 Atlantic Avenue, Boston Harbor  
Boston, MA 02110  
(617) 742-8970

### Boston Financial Group Incorporated Vice President of Securities

#### Specific Responsibilities

- The hiring, training, motivation and general supervision of an in-house sales force of newly hired brokers and gradual assumption of responsibility for existing brokers.
- The development and achievement of sales goals and projections and compliance with all current securities laws and regulations.
- The future development and recommendation of all long range policies, systems and procedures relating to the retail/direct sale of Boston Financial's products.
- The development, gaining approval for, and monitoring of, appropriate budgets for the function.

#### Compensation

- The base compensation range is \$100,000 to \$120,000.
- An incentive pay plan based on performance of newly employed brokers in 1986.
- A future bonus plan based on total departmental sales.
- Possible future consideration for equity in the company and/or sharing in residual values.

#### Education

- The ideal candidate would have an M.B.A. and an undergraduate degree from a competitive college or university.

#### Experience

- The individual we seek has significant experience in retail sales management and supervision, including some experience with sophisticated, complex financial products in the \$20,000 to \$100,000 price range.
- He/she may now be the Vice President of Sales/Marketing in a smaller or mid-sized financial organization, or the number two or three person in a larger environment. Broader experience outside the financial products area would be valuable.

#### Contact

Jack J. Kilkelly, Vice President  
Organization Resources Inc.  
63 Atlantic Avenue, Boston Harbor  
Boston, MA 02110  
(617) 742-8970

### Vice President (CFO) Finance and Administration Boston Financial Group Incorporated

#### Basic Function

- The Position is responsible for being the Chief Financial Officer of the Company and all the companies and partnerships controlled by Boston Financial including the activities of Investment Banking, Mortgage Brokerage, Property Management, Property Consulting, Securities Brokerage, Pension Fund Investment, Developer Re-

ceivable Banking, etc. The Position is also responsible for Management Information Systems, Planning, Human Resources, Administration and Public Relations.

- As a member of Boston Financial's general management, the person filling this position is also responsible for contributing to the development of all corporate policies, long-term direction and strategies, and the financial health and reputation of the company.

#### Specific Responsibilities

- Included in the CFO portion of the Position are all normal financial responsibilities such as:

Accounting (including payroll, payables, receivables, the generation of financial statements and tax reports and audit preparations), Treasury Function, i.e., cash management and forecasting, short-term investments and banking relationships.

The development and monitoring of budgets and the development of appropriate financial policies, systems and controls.

Financial planning to insure adequate funds for operating requirements.

Providing guidance, advice and assistance to all departments of Boston Financial in developing their financial plans and budgets and adhering to them.

- Responsible for the Management Information function of Boston Financial including the selection and operation of data processing equipment, design of Management Information Systems, and the establishment of appropriate reporting procedures, documents and reports.
- Responsible for the coordination of short range and strategic planning processes for Boston Financial and all its entities.
- Responsible for the Human Resources activities of the Company including recruiting, internal employee relations and the design and maintenance of the various compensation systems.
- Responsible for the supervision and direction of the administrative activities of Boston Financial including purchasing of supplies, allocation of appropriate office space and supervision and direction of administrative personnel.
- Responsible for coordinating the Public Relations efforts and positioning of the Company in the financial, investment and real estate communities.
- Responsible for the hiring, training, development, motivation and general supervision of all accounting, purchasing, data processing, human resources and administrative personnel which currently consists of 20 non-exempt employees and 15 professional employees, five of whom report directly to the person filling the Position.

#### Compensation

- The base compensation range for the Position is \$100,000 to \$150,000 per year plus an incentive or bonus compensation plan (to be designed).
- Equity in the Company may be considered at a later date based on the individual's compatibility and contribution to the Company's profitability and well-being.

#### Education

- The ideal candidate will have an M.B.A. from one of the better business schools and an undergraduate degree preferably with a concentration in business, finance or economics.

#### Experience

The ideal candidate may have several business experiences:

- Sound experience in finance and administration, some emphasis on financial analysis, probably not an "Accountant" by inclination, but a general

management person whose career path has been in the areas of finance and administration.

- Past experience should have included small company exposure with the opportunity to be involved in a number of activities at decision-making levels which had an impact on the company's performance. However, significant experience should also have been acquired in larger, more sophisticated environments where the candidate would have acquired higher state of the art technical expertise and more sophisticated managerial, supervisory and communication skills.
- The candidate should have demonstrated performance as a developer and motivator of people as well as the ability to interact well with and influence peers, superiors and necessary contacts outside the organization.
- Real Estate background is ideal but not essential. The individual may now be CFO of a small to medium sized firm or could be number two person in a large organization.

#### Contact

Jack J. Kilkelly, Vice President  
Organizations Resources Inc.  
63 Atlantic Avenue, Boston Harbor  
Boston, MA 02110  
(617) 742-8970

### Manager Market Research

**Company:** A diversified real estate management and land development company—subsidiary of an \$8 billion conglomerate—with 1984 revenues of \$63 million and net income of \$32 million. The company owns and manages over a million acres of surface land and over seven million acres of mineral rights in over 20 states. Properties include prime sites in major industrial, financial and business centers located in the West and in port cities on the Pacific coast and Gulf of Mexico. The company employs over 200 professionals who are engaged primarily in researching customer and community needs, selecting development sites, master-planning, design, engineering and construction.

**Job Title/Duties:** *Manager, Market Research.* The position and its staff of five serves as a resource to the company's field operations by performing various analyses which include feasibility and economic studies, supply and demand studies, highest/best-use analysis, community profiles, land use plans and various other research. The end result of the unit's activities is to provide data that will assist in determining the optimum use of land/property in the company's possession, e.g. whether to sale, lease, develop, etc.

**Requirements:** The qualified candidate will possess over 5 years' experience in performing the duties as stated above, which should include exposure to real estate economics, urban land planning and market research. An M.B.A./Business or related field in addition to demonstrated strong management skills are highly desirable along with some automated modeling experience. M.A.I. designation will also be considered in lieu of academic requirements.

**Compensation:** \$45 to \$50k plus individual/company performance bonus potential. Comprehensive benefit package which includes life, medical, dental, retirement and a "keep whole" relocation program.

**Respond To:** Send resume to or call:  
Jack Choice, Careers by Choice, Inc.  
6527 North 65th Street  
Omaha, NE 68152  
(402) 571-8140

## A Letter From Chief

(continued from page 1)

two Florida mixed use projects, and a conversion of the Eastern State Penitentiary in Philadelphia to 230 residential units. The prison deal proved infeasible.

On April 11 Jim Nussbaum, from the Kentwood Company, covered residential listing and brokerage. In the afternoon Chris Hanson from Marcus & Millichap, described commercial property listing and brokerage.

On May 2 Prof. Phillip Lewis from U.W. will discuss various growth strategies for the Midwest. All governors are invited.

Arun Bhatia from 43-51 East 25th Street Realty Assoc. will speak in the afternoon about the vagaries of condominium development and project management in New York City.

Alumni are welcome when their time permits.

The field trip this year is to St. Louis with an intensive two day program on building restoration and renovation. In the fall, we have made arrangements for 125 students to participate in the national meetings of the Urban Land Institute in Chicago, and our friends at Prudential have already found us 60 rooms for the occasion.

One acquisition by the Alumni is an IBM PC with 10MB hard disk storage and two floppies, purchased with the assistance of John Peterson III and dedicated to maintenance of address lists, accounting records, and vital information about our alumni. A new Alumni Directory will be ready to go very shortly and distributed to everybody. Dues can be put on a twelve month reminder basis and lists prepared for any regional purpose that you folks out there may require.

## The Alaska Connection

(continued from page 3)

The whole area of natural land pricing is wide open and in desperate need of supportable theory and methodology. I am quite confident in our theory and am now beginning to get results from the methodology. The challenge for the future is going after the resources necessary to continue to develop the methodology into the course work so that the student leaves with the skills necessary to apply the technology and theory in the real world.



Wisconsin Real Estate Alumni Association, Inc.  
Room 118  
School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706

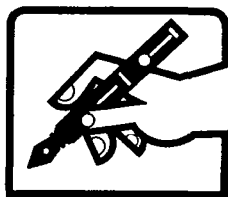
Nonprofit  
Organization  
PAID  
Permit No. 658  
Madison, WI



# NEWSLETTER EQUITY KICKER

VOLUME 1, NUMBER 2

FALL 1986



## A Letter From Chief

The first comprehensive statistics are now available, 11 months after the kick off of the Endowment Fund Campaign. We greatly underestimated the time required to manage the campaign details which overwhelmed volunteer Stacy Dibbell. This summer we added an IBM-AT with 10-K hard disk and had graduate student Ralph Cram begin to develop a data base system using Revelation. This fall we have Dan Guenther half time to complete data input, output, and management of the mailing of plaques, buttons, and invoices for 1986 pledges. In addition, we are having him organize the 1987 reunion. The income funds his ability to prepare a Ph.D. dissertation. In general, the ten exhibits accompanying tell the story.

Stuart Ackerberg and Tom Klein were responsible for corporate and alumni giving; however, business pressures have limited their ability to communicate frequently with the regional chairmen. For corporate giving, we have found that it is most effective for alumni members to identify the appropriate source of charitable gifts in the organization, and then have Chief make a personal visit. The results of these personal contacts will be better known in October and November as foundation boards and corporate committees make their decisions for 1986. However, these visits have already produced \$20,000 from Equitable, \$5000

from Heitman, and \$7500 from Opus. We hope to have \$400,000 in the 235 account before the end of the year. At that point the reported interest income will have matched our expenditures, with the exception of the actual cost of fund raising. Primary use of the funds has been to support an outstanding series of one-day seminars by guest lecturers around the country, the summer research by Mike Robbins, and increased computer capacity for both student labs and the alumni. In 1987, we will have to support at least one full teaching assistant as the University reduces T.A. funds.

For the balance of 1986, we will send out invoices on existing pledges and send each of the regional fund-raising chairmen lists of those who have paid dues, those who have pledged, and those we haven't heard from. In addition,

everyone should receive the pins, cubes, and plaques to which they are entitled.

### Corporate Sponsors

Professor Graaskamp has been making personal calls on major corporate players with the help of alumni within the company. We hope to hear from Metropolitan Life, Mutual of New York, JMB, Merrill Lynch, and Salomon Brothers in late fall, to mention a few. We welcome additional suggestions.

### Madison Area Family Sponsors

It came to our attention that a majority of major real estate investors and developers in the Madison area have sent the heirs apparent to our real estate program. Some of these are second generation. As these young talents have graduated, we

*(continued on page 4)*

EXHIBIT 1

	1985	1986	1987	1988	1989	Total
Pledged	\$108,141	\$158,536	\$125,618	\$22,075	\$700	\$415,070
By Alumni	63,358	99,028	88,785	22,075	700	273,946
By Sponsors	44,783	59,508	36,833	0	0	141,124
Gifts Received	\$102,285	\$101,480	\$0	\$0	\$0	\$203,765
From Alumni	66,755	30,030	0	0	0	96,785
From Matching Grant	7,080	11,675	0	0	0	18,755
From Sponsors	28,450	59,775	0	0	0	88,225



## On the Sideline

—M.L. Robbins

Well, we are off to another wild and crazy semester that you fondly remember as the relaxed period of your life. It's the end of the fourth week and the new grad student, who argued like crazy on registration day that it would be "no problem" completing the program in two semesters and a summer session, has just left my office with a fistful of drop and add slips. I always find it amusing when the student tries to explain dropping 856 and substituting ballroom dance and auditing 556. It's comforting to know that there are still universal constants, like 705, 551, 557, and 856 in a single semester are more than a mortal person can handle.

Speaking of crazy students, on Monday of the second week of class, a former mining engineer from ARCO-Alaska walked into my office and announced that he was here for an M.S. in Real Es-

tate. When I asked to see his registration forms he said he had just driven in from Anchorage and didn't have any yet. Being the logical person that I am, I then asked if he received notification of acceptance from the graduate school. His reply was that he had been too busy working to apply and would take care of the administrative details during the semester. (Sounds like an operating format of somebody else we know.) This guy has a future here, if for no other reason than to be the organizer for the next alumni meeting. Being of sound mind and body, I wrote the guy a note and sent him to see Dean Blakely. (I sometimes think that the Real Estate Department gives Dean Blakely his purpose in life.)

To make a short story long, the student is in as a special student, but he had to agree to take an accounting course instead of three real estate courses this semester. Even the Dean is beginning to realize that too many real estate courses in one semester will turn anyone's mind to mush. I won't tell you how this guy arranged for an apartment, I'll let the rumor mill have that one.

This summer Greg Schmidt sponsored a graduate student, Howard Levy, to work with me on determining how effective the Market Comp program would be in the Chicago suburbs. The preliminary results were very encouraging. Of the 120 comps we were pricing, the model estimated the selling price with an average error of 3%, and maximum error of 8%. We are currently trying to develop data management and updating techniques to operationalize the system in an office environment.

This summer I also had five students working for me (Real Estate Dynamics) on a recreational feasibility study in Mississippi. This study provided a basis for purchase of the CACI population data, by county and zip code for the Midwest and South, and the Atlas Mapping program to display and evaluate the data. With a little more work this data analysis technique has enormous potential for feasibility studies.

I also purchased a DATAVUE 25 by Quadram Corp. What an outstanding piece of hardware! It has a 1.2 million byte usable main memory, two 3.5-inch disk drives which hold 700K each and a 25 x 80 character screen. It weighs only 15 pounds and can run by battery or AC/DC. So far, 99.5% of all the software I

have tried has worked on the system. If you have a need for a truly portable machine, take a look at the DATAVUE 25.

I am just beginning a critical review of Jim Canestaro's Real Estate Feasibility computer model. I have not had a chance for any great detail yet, but the next newsletter will have a full review. Stay tuned, the story looks very exciting.

Elsewhere in the newsletter you will find an announcement concerning the purchase of a campus graphic. I am a proud owner and have supported the effort to make it available to the alumni. It makes an outstanding wall hanging for the office, especially in conjunction with your U.W. diploma(s).

The computer usage this semester by general business students has been not only off-the-wall but literally out into the hall. It is not uncommon to see 12 students sitting on the floor, outside the business school's micro lab, at 7:30 in the evening, waiting their turn. Thank the Lord for our own lab; it may not be elaborate, but it is available. To help increase efficiency and provide access to data base operations, we have installed a 20 million byte cartridge system on one of the PCs. This will operate as a central depository for all the Real Estate Department software, so we won't need a check-out system anymore. We have also hired two work-study students to act as lab monitors.

The development simulation systems I have been working on, the 554 and 555 course programs, continue to make steady advances. By the end of the spring semester (1986) the COMERMOD (555 simulation systems) had advanced several steps and operates well within the courses. I have rewritten the shopping center case so that it is more current, and has more hidden problems. I am also working on a solution, which was used for the first time at the Real Estate Banking School. What a madhouse that was! Imagine a commercial loan officer from your local bank coming to Madison and listening to Graaskamp describe the real estate analysis process for two days, and then have me waltz in and launch into the Risk Adjusted Default Ratio analysis, tied to Gibson's Real Estate Planning program with output passed directly to MRCAP for risk and return analysis. After the class I had several people ask if real estate was a religion at Wisconsin. Little do they know.

### EQUITY KICKER

VOLUME 1 FALL 1986

Published bi-annually for the members of the Wisconsin Real Estate Alumni Association, 1155 Observatory Drive, Room 118, Madison, Wisconsin 53706.

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*Professor J.A. Graaskamp*

Assistant Editor

*Karen M. Wilbrecht*

Masters Candidate December 1986

Publicity Committee

*Ken Livadas*

Shidler Group, I. A.

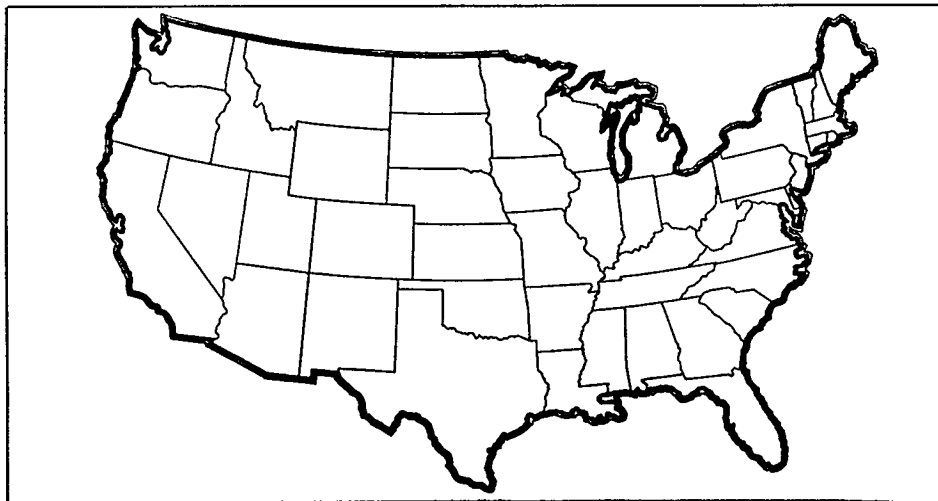
*Daniel J. Volpano*

J.P. Morgan Inv. New York

President, Alumni Association

*Dianne M. Orbison*

MSI Insurance Inv. Minneapolis



## From the Provinces

Following a most successful trip to St. Louis this past April, the Real Estate Club will have yet another unique opportunity in Chicago, when two busloads of UW students will invade the Urban Land Institute conference on October 22-24. Not only will the students have free reign to attend the numerous ULI-sponsored seminars, but plans are in the process to tour the Prudential Building, One Financial Place, courtesy of U.S. Equities, and witness the early stages of a mixed-use development in the 900 block of Michigan Avenue, courtesy of Urban Investments/JMB.

The three-day tour of the Windy City promises another in a long line of enjoyable yet educational trips for the graduate and undergraduate students in the Real Estate Program. We are especially grateful to Mike Robbins, who raised \$1,300 from Madison alumni for travel scholarships. Many students would not be able to attend these field trips without the generosity of the UW Real Estate Alumni and the firms they represent.

Through the diligent efforts of the internship committee, chaired by Gregg Halvorsen, a new plateau was reached this past summer as more than 35 students were placed throughout the country with real estate firms of all shapes and sizes. As the accompanying list of summer interns exemplifies, the network of UW real estate graduates continues to expand, both geographically and throughout the industry.

American Institute of Real Estate Appraisers has awarded two \$3000 graduate scholarship awards to Paul Bakken and Vincent Slupski in the M.S. program.

## On-Line Equity Participation

As many of you have access to a personal computer with a modem, we are inquiring if an on-line computer "bulletin board" would help you in your search for real estate information. Via any I.B.M.-compatible personal computer in the country, this electronic bulletin board would allow you to retrieve the latest alumni list, job listings, real estate computer programs, and Chief's latest schedule. Also, alumni can advertise their services or request information from others—

e.g., Does anyone have office comps for Omaha?

The cost of converting the alumni computer into an electronic bulletin board ranges from \$1500 to \$2500 depending on software costs. We are wondering if there is any market for this service, and if there are donors to help with the economic feasibility. If there is interest, please contact: Ralph Cram, 121 East Gilman Street, Apt. #7, Madison, WI 53703.

Congratulations to David Krill. David was named Senior Vice President and Manager of First Financial Savings' commercial mortgage banking operation in Milwaukee. David will oversee the company's statewide commercial real estate lending program, including financing for apartments, shopping centers, warehouses, office buildings and other quality, income producing real estate.

Congratulations are also in order for Paul and Pat Gilbert, Lexington, MA on the birth of their twin son and daughter.

Next semester Bill Huberty, Alan Chesler, and Scott Dixon will be responsible for getting the "Equity Kicker" off the press. If you have any ideas or information you would like to see in the newsletter, please contact them.

## Summer Interns

Fabio Baum	VMS Realty	Chicago, IL
Tim Casey	Robert A. Polachek Co.	Milwaukee, WI
Champa Chatterjee	Fiore Co.'s	Madison, WI
Alan Chesler	Bear Stearns	New York, NY
Kevin Coffey	Py-Vavra Development, Inc.	Orlando, FL
Arne Cook	Contact Realty Corp.	Madison, WI
Ralph Cram	Pacific RIM Dev. Corp.	San Francisco, CA
John Divall	Bennett & Kahnweiler	Chicago, IL
Doug Engelman	Heitman Financial Services Ltd.	Los Angeles, CA
Michael Gerdes	Helmsley-Greenfield, Inc.	Philadelphia, PA
Joe Gomez	Arthur D. Little Valuation	Chicago, IL
Gregg Halvorsen	North Central Mgt.	Madison, WI
Kathryn Hansen	Recreation Resources Center	Madison, WI
Bob Heinzel	Mid-America Appraisal	Madison, WI
Bill Huberty	Merrill Lynch	New York, NY
Bill Jones	CUNA Mutual Inv. Corp.	Madison, WI
Rich Jortberg	Verex Mortgage Corp.	Madison, WI
Mark Kelling	R.L. Danner Co.	Madison, WI
Costa Lallas	Century Capital Group	Oshkosh, WI
Daniel Levitt	Northland Financial Co.	Minneapolis, MN
Howard Levy	RJ Schmidt Appraisers	Arlington Heights, IL
John Livesey	Livesey Co.	Madison, WI
John McCarty	First California Mortgage Co.	San Rafael, CA
Chuck Murphy	Pacific RIM Dev. Corp.	San Francisco, CA
Jim Roemer	Metropolitan Life Insurance Co.	Oak Brook, IL
Susan Sary	Don Engle & Associate	Chicago, IL
Michael Schack	Metropolitan Life Insurance Co.	Oak Brook, IL
Roy Splansky	VMS Realty	Chicago, IL
Duey Stroebel	Divall Investments	Madison, WI
Tom Sweeney	Knowlton Realty	Denver, CO
Vince Slupski	Mid-America Appraisal	Madison, WI
Karen Wilbrecht	Meredith & Grew, Inc.	Boston, MA
Clarence Williams	Anchor Savings & Loan	Madison, WI

## Endowment Fund Campaign Report

(continued from page 1)

have solicited the families for a \$5,000 grant as a Madison-area real estate family sponsor. A special plaque recognizes this source of support and we are receiving a very favorable response.

### Alternative Trust Fund

There is a significant minority of alumni who question University control of Foundation Funds which may not cover all legitimate research needs of real estate education. This group, lead by Tom Klein, David Westby, and Michael Rooney, has established a separate trust fund at the First Wisconsin Bank Trust Department and have applied for 501 (3) (c) status for this fund to be called, Real Estate Educational Fund, Inc. For additional information, write to:

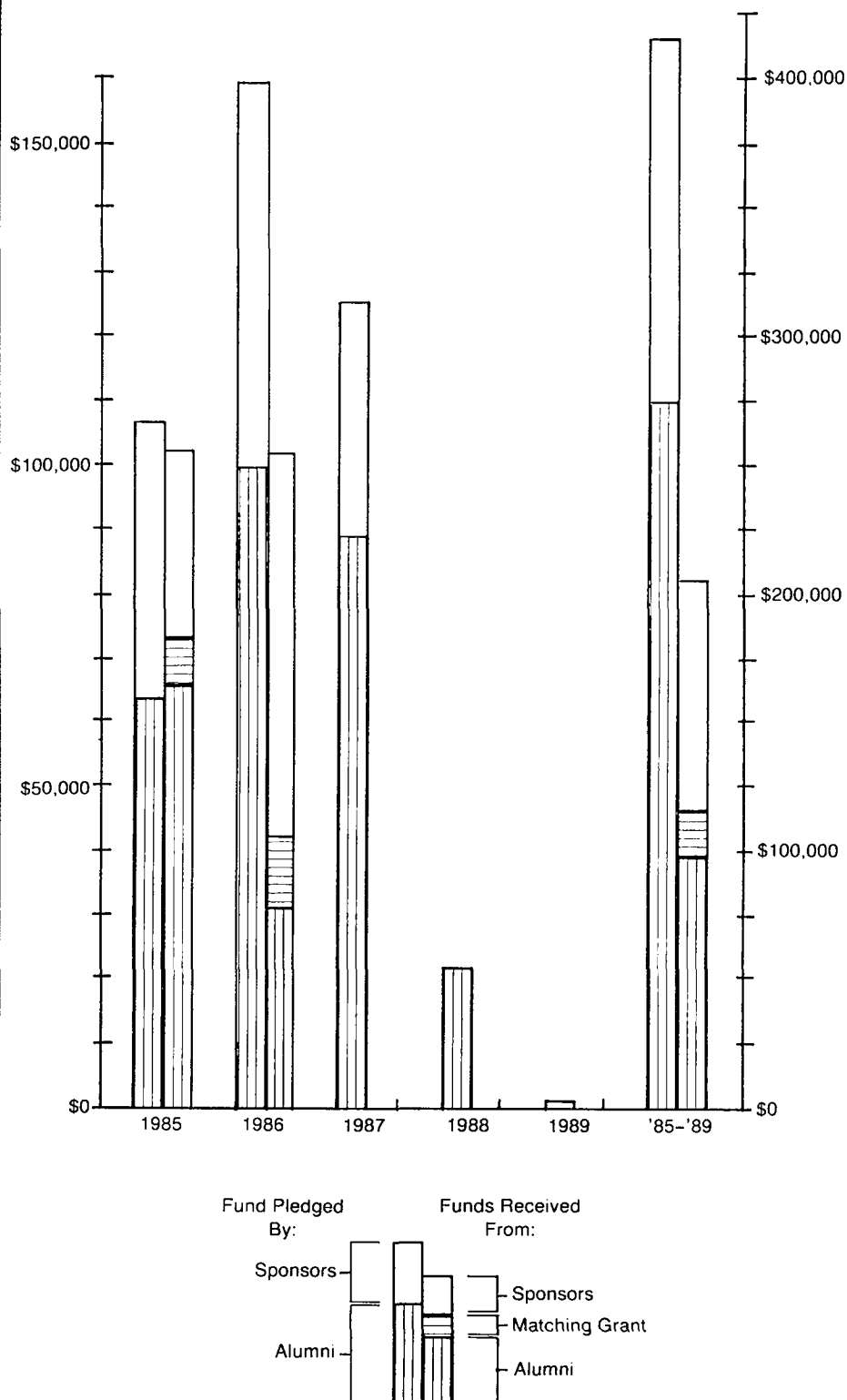
Tom Klein  
P.O. Box 7760  
Lodi, WI 53555

or

Mike Rooney  
8222 Jackson Park Blvd.  
Wauwatosa, WI 53213

Exhibits continue on pages 5, 6 and 7.

EXHIBIT 2  
Funds Pledged and Funds Received  
(As of 9/24/86)



### EXHIBIT 5 (continued)

Ely Fellows (\$7,500 or more)  
Ballard Family Foundation

Ratcliff Fellows (\$4,500 or more)  
Dorothy R. Ratcliff

Graaskamp Fellows (\$1,500 or more)  
Robert J. Bergenthal  
Bruce C. Bermel  
Curt S. Culver  
Robert Derse  
David A. Lenz  
Stephen G. Ma  
David L. Reimer  
Howard A. Zuckerman

Andrews Fellows (\$750 or more)  
Donald L. Evans  
Darrell Koehlinger  
John F. Kraus  
Frank J. Rojas  
M.D. Squirrel



**EXHIBIT 3**  
Distribution of Gifts Received by Region in 1985 and 1986

Region 1 (ME, MA, NH, VT, RI, CT, NY, NJ)	\$30,282
Region 2 (PA, WV, VA, MD, DC, OH, KY, DE)	3,350
Region 3 (GA, FL, TN, MS, AL, SC, NC)	12,020
Region 4 (WI)	39,732
Region 5 (IL, IN, MI, MO)	38,110
Region 6 (MN, ND, SD, IA)	23,868
Region 7 (TX, LA, AR, OK)	8,833
Region 8 (CO, ID, WY, MT, KA, NE)	7,185
Region 9 (AZ, NM, UT)	2,600
Regions 10 & 11 (CA, OR, WA, HA, AK, NV)	32,775

Note: This breakdown has been prepared for internal use primarily and is not inclusive of all gifts received during this time period.

Prepared from UW Real Estate Alumni Database by DG

**EXHIBIT 4**  
Alumni Contributions\*  
Received in 1985 & 1986  
by State  
(Top 10 States)

1. Illinois	\$24,410
2. Wisconsin	23,032
3. California	18,225
4. Minnesota	15,578
5. Texas	7,658
6. Colorado	7,085
7. Arizona	2,600
8. New York	2,025
9. Pennsylvania	1,850
10. Massachusetts	1,650

\*Does not include matching grants

**Ely Fellows (\$7,500 or more)**

Stuart Ackerberg

Jon D. Hammes

Dianne M. Orbison

**Ratcliff Fellows (\$4,500 or more)**

Richard M. Goldin

John A. Kellogg

Michael L. Morey

Gordon A. Rice

**Graaskamp Fellows (\$1,500 or more)**

James Ablan

Robert A. Aldrich

Alexander T. Anagnost

Vance T. Antoniou

Frank J. App

Michael D. Arneson

Richard L. Boehm

Lawrence S. Bond

Robert J. Bond

Suzanne M. Bonifas

Nathan F. Brand

Donald J. Bredberg

Francis Brezinski

Michael Casey

Jeffrey Cavanaugh

Marc D. Cella

Charles Chandler

James Curtis

Jean B. Davis

Jeffrey A. Davis

Raphael Dawson

John D. Dreier

Stephen Elpern

Gregory J. Erickson

Albert Esther

Michael A. Feiner

Brian Furlong

Paul B. Gilbert

James A. Graaskamp

Amy S. Grutzner

William L. Hafner

James G. Haft

Mark R. and Renee C. Hasler

Charles V. Heath

Mr. and Mrs. Douglas Heston

John H. Hillard, Jr.

Peter Hitch

James P. Hoffman

Kenneth Holmes

John G. Hoppe, Jr.

**EXHIBIT 5**  
Alumni Contributions

Stephen P. Jarchow

Bruce M. and Kathryn L. Johnson

Robert Johnson

William C. Johnson

Edwin Jorae

David E. Juillerat

Roger J. Juszezak

James Kane

Kevin C. Kelley

Thomas G. Klein

David M. Law

Greg D. Lee

Kenneth G. Lvidas

Rocco A. Maggio

James A. Magnanenzi

Paul E. Magnuson

Thomas McCahill

Steven G. Meyers

Jeffrey A. Mikes

James H. Muir

Deborah A. Newcomb

John Oharenko

Frederick W. and Georgene Petri

Milo S. Pinkerton

Christopher J. Pitts

James H. Purinton

Dorothy R. Ratcliff

C. J. Raymond

Frederick A. Rendahl

Rudy R. Robinson III

Steven Rosenberg

Charles S. Segal

Richard R. Shima

James S. Smith

Mark E. Smith

Thomas W. Smith

Robert J. Stack

Warner E. Stone

Reed Sivan

Mark J. Sullivan

Jack R. Swanson

Kenneth Swanson

Gary A. Tadian

Gerald L. Vick

Steven Wagner

Kevin J. Wall

David K. Westby

Stuart J. Zadra

**Andrews Fellows (\$750 or more)**

William R. Abel

Dennis H. Anderson

David J. Berens

Joseph R. Bettlej

Karl Birkenstock

Mark A. Buth

Colleen M. Carey

Ronald M. Clark

Daniel Cramer

Robert H. Curtis

James D. Drewry

Mark Eppli

Peter Gloodt

Mark Heindl

Allen R. Hill

Jeffrey R. Huggett

Thomas James

Thomas W. Johnson

Paul Koerber

V. Michael Komppa

Werner T. Kostendt

Walter Kubiesa

Stephen Lauenstein

Brian Lee

Mark J. Manion

Terry McDaniel

Thomas C. McMullen

David Meltz

Peter Moegenburg

Rose Marie Morreale

Leslie K. Olsen

Whit Osgood

Arthur P. Pasquarella

Joseph D. Pasquarella

John W. Ramzy

Mark Rasmussen

Richard L. Reuter

Mr. and Mrs. Robert Richardson

Perry and Genevieve Risberg

Yvonne Schell

Mark A. Schmidt

Rhea A. Schultz

Gerald D. Schwartz

Daniel M. Shaw

Robert Tepperman

Daniel J. Volpano

Charles W. Wagener

Elaine Worzala

Kyle Zastrow (continued on page 4)

### EXHIBIT 6 Sponsor Contributions

#### Corporate Sponsors

Baird & Warner Company  
(Chicago, IL)  
The Ballard Foundation  
(New York, NY)  
The Birtcher Investment Group  
(Santa Ana, CA)  
The Equitable Foundation  
(New York & Atlanta)  
Foremost Guaranty Corporation  
(Madison, WI)  
Heitman Financial Services, Ltd.  
(Chicago, IL)  
Johnson Wax Foundation  
(Racine, WI)  
The Madsen Company  
(Madison, WI)  
MDC Development Company, Inc.  
(Denver, CO)  
Mortgage Guaranty Insurance Company  
(Milwaukee, WI)  
Opus Corporation  
(Minneapolis, MN)  
The Prudential  
(Newark, NJ)  
Urban Investment Corporation  
(Chicago, IL)  
The Urban Land Institute  
(Washington, D.C.)  
VEREX Corporation  
(Madison, WI)  
Wells Fargo Real Estate Advisory Company  
(Marina Del Mar, CA)

#### Madison Area Real Estate

#### Family Sponsors

Phillip C. and David K. Stark  
Nathan F. and Nate S. Brand  
Gordon A. and Greg Rice  
Daniel H. and Bruce D. Neviasek

### EXHIBIT 7 Distribution of Gifts by Size

	1985	1986
\$1,000 or more	32	14
\$500 to \$999	27	27
\$100 to \$499	98	43
\$26 to \$99	<u>35</u>	<u>43</u>
Total Gifts	192	127

No. of alumni who paid only the \$25 dues	37	86
---	----	----

No. of alumni who neither contributed nor paid dues (estimated as of 9/24/86)	450	500
---	-----	-----

Note: About 420 alumni and program sponsors have paid dues or have contributed to the Endowment Fund at least once during the last two years. Many who paid dues or contributed in calendar year 1985 have yet to do so in 1986, hence the above figures for 1986 are likely to change considerably by the end of the year.

Prepared from the UW Real Estate Alumni Database by DG

### EXHIBIT 8 Flow-of-Funds Statements for the 11 Months Ending 8/31/86

<b>235 Account</b>	
Beginning Balance, 10/1/85	\$168,610
Plus Cash Receipts	172,985
Plus Transfers	3,000
Plus Interest Income	15,989
Less Expenditures	<u>(40,622)</u>
Ending Balance, 8/31/86	<u>\$319,962</u>
<b>199 Account</b>	
Beginning Balance, 10/1/85	\$ 3,338
Plus Cash Receipts	19,614
Less Expenditures	<u>(10,447)</u>
Ending Balance, 8/31/86	<u>\$12,505</u>

Prepared from UW Foundation Statements by DG. gift receipts are current through 9/24/86

### EXHIBIT 9 Expenditures from the 199 Account Between 10/1/85 and 8/31/86

<b>Seminars</b>	
Edgewater Hotel	\$191
The Innkeeper	116
University Extension	<u>157</u>
Subtotal	\$464
<b>Faculty Travel</b>	
Dowell Myers	\$286
Michael Robbins	<u>240</u>
Subtotal	\$526
<b>Fund Raising</b>	
Creative Advertising	\$5,502
Minnesota Real Estate Journal	<u>130</u>
Subtotal	\$5,632
<b>Mailings</b>	
Bob's Copy Shop	\$ 157
Copy Center—Business	106
K.C. Graphics	357
LetterCraft Press	1,002
Madeline Scherb	28
Michele Winans	53
Regents—Business	1,560
School of Business	<u>562</u>
Subtotal	\$3,825
Total Expenditures	<u>\$10,447</u>

**EXHIBIT 10**  
Expenditures from the 235 Account  
Between 10/1/85 and 8/31/86

Seminars (Honorariums & Travel)		\$14,280
Faculty Travel		
James De Lisle	\$600	
James Graaskamp	368	
Rod Matthews	207	
Michael Robbins	<u>461</u>	
Subtotal		\$1,636
Teaching Assistants		
Regents—Business	\$ 724	
UW Business School (Michael Robbins)	<u>5,527</u>	
Subtotal		\$6,251
Computer		
Computer Business	\$3,653	
Office Solutions	<u>735</u>	
Subtotal		\$4,388
Fund Raising		
Bob's Copy Shop	\$ 197	
Creative Advertising	4,553	
Landmark Research	355	
LetterCraft Press	260	
Lindsay & Stone Advertising	<u>8,692</u>	
Subtotal		<u>\$14,057</u>
Total Expenditures		<u><u>\$40,622</u></u>

Any suggestions or ideas on speakers, topics, or round table discussions for the October 1987 Real Estate Alumni Reunion, please contact Professor Graaskamp. Your input would be greatly appreciated.



## POSITIONS AVAILABLE

### Assistant Vice President Mortgage Loans & Real Estate Provident Mutual Life Insurance Co.

#### Summary of Position

- This position is accountable for contributing to the profitable growth of the Company by effectively directing the acquisition and management of joint ventures and real estate purchases to meet investment objectives

#### Principal Accountabilities

- Ensures the profitable acquisition of real estate investments and structuring of joint ventures to meet management objectives

- Contributes to the profitability of Company real estate investments by effectively directing the management of such investments.
- Ensures a competent, motivated and ongoing staff through proper selection, training, appraisal and development with concern for equal employment opportunities and regulations.

#### Contact

Lauralyn Jones, Consultant  
W.K. Gray & Associates, Inc.  
One Bala Plaza, Suite 429  
Bala Cynwyd, PA 19004  
(215) 668-2660

### Regional V.P. of Acquisition

#### Description

- Located in Chicago, to head-up the acquisition in the Midwest
- Acquisitions of all types of properties, i.e., residential, commercial, and retail, from \$5 million and up with the range being \$25-50 million plus
- Currently have about \$800 million to spend
- One of 6 largest U.S. syndicators

#### Compensation

- Consists of base salary up to \$100,000, a commission/bonus directly connected to production and a discretionary bonus. Expected income is \$250,000 plus

#### Contact

Rikke Vogensen  
CEMCO  
Three First National Plaza, Suite 3650  
Chicago, IL 60602  
(312) 876-1700

### Senior Account Executive

#### Location

- Metropolitan New York area

#### Description

- The position is newly created based on a recent reorganization and integration of the marketing and sales function into the real estate investment advisory company.
- This position has the overall marketing and sales responsibility on a regional basis for the Northeast, including the metropolitan New York area.
- The individual will be responsible for not only identifying the major institutional investors such as tax-exempt pension funds and other major corporations with significant interest in real estate holdings, but will also be directing the sales effort that will be required to secure capital for these investments.

#### Experience

- The ideal individual will possess ten or more years of experience in direct marketing to major institutional investors with particular emphasis on tax-exempt pension funds and a proven track record of successful capital raising ability
- It will be especially important for the position in the Northeast that the individual has established contacts and is known by the investment community as a real estate professional with outstanding sales and marketing ability

#### Contact

M. Evan Lindsay, Director  
Spencer Stuart Exec. Search Consultants  
Georgia-Pacific Center  
133 Peachtree Street, N.E.  
Atlanta, GA 30303  
(404) 521-2900

## News Flash!

UW-Real Estate students will make a show of strength at the ULI meeting in Chicago—123 strong. ULI is graciously funding all admission charges, breakfasts, lunches, bus trips and the like so students can afford full participation. Students pay for hotel and bus trip to Chicago—a sizable amount, approximately \$100. Madison alumni funded 18 scholarships for students with financial shortfall so that everyone who wanted to attend could do so.

Chicago alumni plan a pizza and beer session on Thursday evening to which all Wisconsin alumni are invited. Look for “Chief” for directions to the pizza!



Wisconsin Real Estate Alumni Association, Inc.  
Room 118  
School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706

Nonprofit  
Organization  
PAID  
Permit No. 658  
Madison, WI

# Thanks For The Memories



**Relive those special times** with a unique print portraying Bascom Hall, Carillon Tower, the Old Red Gym, Camp Randall Arch and the Memorial Union. The original 20 in. x 26 in. detailed pencil drawing has been reproduced on high quality, acid free paper to ensure lasting beauty. Each print is signed and numbered by the artist and is part of a limited edition of 635.

Through a special purchase, this memorable gift can be yours for your payment of \$100.00 per print to the Real Estate Educational Fund, Inc. (\$75.00 of which to be a charitable contribution). This newly formed Wisconsin nonprofit corporation (seeking tax exempt status under section 501[c][3]) will receive all proceeds from the sale of these prints. You will not only receive this valuable gift but also the satisfaction of furthering the development of real estate education in Wisconsin.

Due to limited availability of these quality prints, they will only be offered for a short period of time.

Please accept my donation of \$ \_\_\_\_\_ for \_\_\_\_\_ limited edition prints.

Make checks payable to:  
Real Estate Educational Fund, Inc.

MAIL ORDERS TO: Marine Bank N.A.  
Private Banking Teller  
Rm. 222  
P.O. Box 2033  
Milwaukee, WI 53201

Please allow 4 to 6 weeks for shipment.

Please print purchaser's name clearly. If "ship to" address is different, please attach shipping address to order form.

Name \_\_\_\_\_

Street \_\_\_\_\_

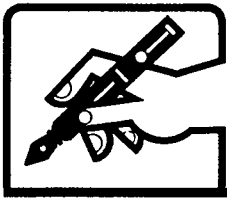
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# NEWSLETTER EQUITY KICKER

VOLUME 2, NUMBER 1

SPRING 1987



## A Letter From Chief

The Real Estate Alumni Endowment Program is moving toward the half-million dollar mark. Alumni pledges totaled \$80,000 in December. Many of these pledges were paid in advance to anticipate changing tax rules. Metropolitan Life contributed \$15,000 in February so through February we have \$495,000 in the U.W. Foundation Endowment account. In addition, Chuck Heath and the Milwaukee alumni have initiated a trust fund for real estate education at the Marine National Bank Trust Department in Milwaukee, where there is a present balance of \$5,000.

Preliminary plans for the alumni seminar in October are included with the Equity Kicker. Main speakers and moderators have confirmed. If your name appears as a possible specialist in a given topic, let us know if you will participate. Our aim has been to focus the spotlight on new members of the alumni. In addition, we want to expand the topic areas to subject areas that are broader than just real estate. Therefore, we are pleased that David Mac Gregor of Alexander Cooper and Associates will speak on the philosophy of city planning. The selection committee for the distinguished Wisconsin Real Estate Award is considering folks who have a broad social view of real estate.

Jim Kane and Tom James of the Washington D.C. contingent are doing yoeman service this spring. First, they are expediting a fund raising seminar in Baltimore which we hope can be a

## Real Estate Capital Markets After Tax Reform

by James S. Smith

Throughout the long debate in Congress over the tax bill, it was often stated that if tax benefits were reduced or eliminated that "real estate values would drop 20% or more instantly." It was forecasted by many that if real estate had little or no tax benefits that capital would not flow to the real estate market, and, therefore, a disequilibrium would exist and values would drop. Has this really happened?

Values of real estate have dropped in many areas of the country. However, it is our contention that this is not a result of the tax reform. Rather it is an effect of

disequilibrium in the supply and demand of space. Notably office and multi-family residential space is significantly outstripping demand. Tax reform has had a tremendous effect on the property markets. However, these effects are mostly in the shifting of the nature and objectives of the capital sources rather than the change in over-all property values.

The nature and source of the primary players in the U.S. real estate capital market has shifted dramatically in the last two years. The most notable changes involve the growth and domination of the marketplace by the domestic pension funds and the resurgence of offshore investors, notably from the Far East. Total domestic pension fund assets in 1986 approached \$1.7 trillion, which was an increase of approximately 25% over the prior year. Pension fund assets invested in equity real estate total \$50 billion, or approximately 3% of the fund's overall portfolio. Asset allocation to real estate varies significantly depending on the type and size of the fund. Corporate pension plans average 4.5% of assets in real estate while public plans are in the 2.3% range. Typically, larger funds are more diversified and have more real estate in their portfolios. Although pension dollars invested in real estate by the top 200 funds increased by over 16% in 1986,

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prototype for similar seminars in other parts of the country in 1988 (see the enclosed brochure). Secondly, the Real Estate Club cut a deal with Northwest Airlines and will visit Washington D.C. for three days, April 24-27. Forty-two students and faculty have already signed. Friday will be spent in downtown D.C., Saturday in Tysons' Corners and Reston, and Sunday in Columbia and inner harbor Baltimore.

Next month you will receive a complete package of registration forms for the Reunion at the Concourse Hotel, October 22-24, 1987. Please make your plans promptly so that we can protect the large block of rooms reserved at the Concourse.

(continued on page 4)



## On the Sideline

—M.L. Robbins

Well another adventurous semester has begun, filled with all the hype and expectation that make this institution the wonderous place that it is. On my way to my first lecture in Commercial Development (555), I stopped off at the copy center to increase the syllabus count from 50 to 60, so that I would have a few extras. When I walked into Room 22 I nearly lost it; there were approximately 120 expectant faces looking impatiently for wit and wisdom. My first reaction was genuine fear, followed by the classical real estate department attitude "what the hell . . . make do." It took almost 10 seconds for me to decide to scrap the lecture for the day (yes, I generally do have a prepared script to follow these days), and launch into a "get rid of the weak sister" lecture. I came in just short of the classical "look to the left . . . look to the right . . ."

lecture and was able to reduce the class population down to about 80—not bad for a first day lecture. Then Graaskamp used the same technique in 850 and 857 and my class population rebounded to between 85 and 90. On the positive side it is one hell of an emotional kick to walk into a classroom the first day and discover that there are that many people who have elected to study with you in your favorite area of endeavor.

On the software side there are a number of items of interest. Greg Elliott, Class of 86, has developed a version of the MARKET COMP program, written in Lotus 123, for the assessment department of the City of Madison. I am currently doing a shake down on it and if there are any of you out there who might be interested, let me know and I will be happy to pass on my evaluation and put you in contact with Greg. I have further information on Jim Canestaro's Feasibility-Financial Analysis Model. Jim was recently in Madison for a critical review by Chief, Jean and myself. As usual, there were several areas where we proposed changes, but overall the package continues to emerge as one of the best, useful, user-friendly real estate analysis packages that I have seen. In my opinion, the single most important aspect of Jim's package is that it is a direct extension of the logic process that we have been developing in the classroom. This is an analysis package, not some fancy dandy financial modeling tool designed to overwhelm the user with minute detail of income and expense. If you have a need for a good analysis package, Jim's package holds real promise. Jim is hoping to have the package available at the alumni conference this fall. Also, if any of you are looking to upgrade your word processing, you should be aware that Office Solutions has released Officewriter 5.0. This is a significant up-grade to the 4.0 version that so many of you used while you were here. You can contact an Office Solutions sales representative at (800) 228-0747, and tell them that MLR sent you.

Our Alaskan involvement has been taking some interesting turns. At Real Estate Dynamics we have been working on an Anchorage metropolitan economic assessment model. The purpose of the model is to assist in evaluating the performance of 13 neighborhood shopping centers, both in support of appraised values and to assist management in responding to changing economic con-

ditions. A major part of this work is developing a spatial data base with the Atlas mapping and Atlas Edit programs. These programs were developed to provide a user of CACI census data an opportunity to create maps of the data. We purchased a large bed digitizer and have developed our own data base, based on Traffic Analysis Zones (TAZ's), for which there are 384 in the Anchorage metro area. The TAZ base allows us to move directly between the housing and land use inventory and census information, at both the Tract and Block levels. With the system we can combine and analyze the data, display a map on our color EGA system, and then print a color map on our color printer. We have four students and Graaskamp working on this project and hope to have the first phase completed by March 15.

The students in 555 will be using the lease analysis and shopping center valuation models which were developed for the Anchorage project. The 652 students will be following the data base component with their Lotus/data analysis segment. In this way the students will be employing current and topical analysis techniques to very near actual conditions, but without the time constraint of an actual project.

There has been some discussion concerning what will go on during the alumni conference. I have indicated that I didn't think it was worth putting on a computer conference, but if some of you would like to demonstrate or see a particular demonstration, let us know SOON and we will see what we can do to accommodate you. Also, if you ever come across a software application that you would like to share with fellow alumni or which might have application in the classroom, let me know and I will try to arrange for an evaluation.

For those of you in the know, please note that this fall I was elected to membership in the American Society of Real Estate Counselors (CRE) and expect to be treated with all due respect. Also, I have just gotten my Wilderness paper accepted for publication in the Appraisal Journal. They must be running low on contributing authors; the AREUEA Journal staff wouldn't even extend the courtesy of allowing it to be reviewed (they don't publish "trade" articles). Instead they focus on academic topics, like their 1982 special issue "An Economic Analysis Of Settlement Costs." Such are the times we live in.

### EQUITY KICKER

VOLUME 2 SPRING 1987

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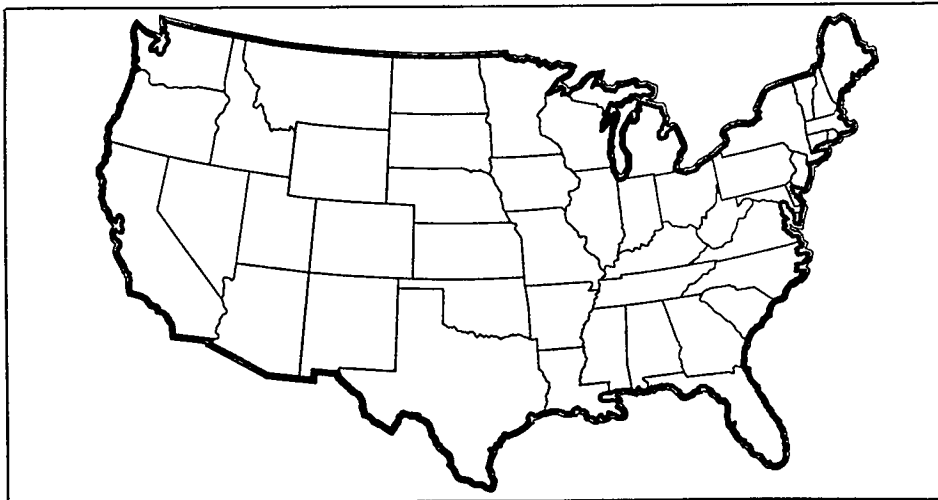
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President, Alumni Association

Dianne M. Orbison

MSI Insurance Inv. Minneapolis



## From the Provinces

Congratulations to Paul and Suzanne Jahnke, Madison, WI, on the birth of their first child! Elizabeth Marie was born December 31, 1986.

Congratulations to Elizabeth Helland and Andrew Bruce who were married April 26, 1986 in San Francisco and now reside there.

Congratulations to Teresa Esquivel and Brian Furlong who were married October 11, 1986, in Chester, Massachusetts.

Congratulations to Bryant Wangard and Mike Arneson. Bryant was named Executive Vice President of TOLD Development in Minneapolis. Mike was named Vice President of Development of TOLD Development's new suburban Milwaukee branch.

Congratulations to Robert J. Bond. Robert has joined Frain Camins & Swartchild's Financial Services Group in Chicago as an Assistant Vice President.

Missing Grads! The Alumni Association has been unable to locate the addresses of the following: Thomas G. Plumb (1975), Joseph Rowland (1969), Debra J. Patterson (1976), and Suzanne Bonifas (1984). If you have any information regarding the work and living whereabouts of these alums, please contact the Real Estate Alumni Association at the University of Wisconsin-Madison.

The New York Alumni Chapter meets regularly for social and networking

reasons, and periodically sponsors seminars on current topics. One such issue is securitization, which was the topic of the chapter's November 21 meeting, at New York's University Club. Seminar participants included Larry Miller and Jeffrey Fastov of Moodies, Leslie Feder of Goldman Sachs, and UW's own Leon Shilton, who now is president of The Sean Trebor Company. Brian Furlong, Class of 1984, was kind enough to produce the following summary of the chapter's meeting.

The rating process for mortgage-backed securities being developed by Moodies was a main topic of the program. Moodies, like Standard & Poors, has an exhaustive system for the identification of risks inherent in the mortgages backing the securities they rate. By identifying the risks, and requiring credit guarantees to cover potential cash shortfalls, the risk of investing in a security is greatly reduced. The security can then be sold at a reduced rate of return, reflecting a lower risk premium in the return rate.

The review process for a security backed by the mortgage on a single property starts with a cash flow projection, generally developed through a third party MAI appraisal. The rating analyst reviews the appraisal, questions discrepancies, reviews a required independent engineering report and historical accounting records of the property, makes site visits, and meets with local market sources to confirm revenue and expense projections. From this process, a most probable cash flow is projected.

Next, the individual revenue and expense items are adjusted up or down

to reflect worst case risk of increased vacancy, lower revenues, and higher expenses. Moodies makes such adjustments based on econometric models which have been developed by Wharton Econometrics for the real estate markets of New York, Boston, Chicago, Los Angeles, and San Francisco. Standard & Poors adjust the normal case cash flow based on a national worst case model, which is then modified for local economic considerations. Local economy factors affecting the projection of worst case risk include the diversity of the local economic base, historic employment growth, and the projected regional reactions to national economic trends. Property specific factors include project size, lease terms, tenant quality and mix, property management, energy efficiency, construction quality, and site location.

Risk adjusted, worst case cash flow funds available to pay debt service are then divided by debt coverage ratios ranging typically from 1.15 to 1.25, and compared to debt service requirements being rated. In any year that the worst case cash flow does not produce the coverage ratio the rating service requires, credit supports (letters of credit, surety bonds, corporate guarantees) must be provided. Next, the property is valued in every year of the life of the mortgage-backed debt, based on worst case assumptions, and projected property values after liquidation expenses are compared to the projected outstanding principal at those times. A schedule of credit supports must be set up in advance to cover any projected shortfall of value over principal.

As a final step, the rating agency reviews events which can eliminate, reduce, divert or stay the application of property cash flow or after sale proceeds to the payment of debt. The analysts make their recommendations, the package goes to committee, and the debt rating is issued.

In the case of securities involving mortgages on multiple commercial properties, cross-collateral agreements are sought so that portfolio effects can be considered in the rating process. Such agreements are rarely achieved, because the equity owners of different properties rarely agree to pledge their assets as protection against default by other properties in a pool. To date, the rating firms have been working almost exclusively with single property deals.



# Real Estate Capital Markets After Tax Reform

(continued from page 1)

this was overshadowed by a 26% gain in total assets resulting from a robust stock and bond market.

Rapidly increasing pension fund dollars in combination with the goal of a majority of funds to commit a significant proportion of their portfolios to real estate has caused a tremendous flow of funds to the real estate capital markets. Funds that are committed to real estate have a minimum target level of 10% of assets. If overall real estate pension assets equal 3% and a goal of 10% or more exists, it is easy to see that substantial dollars will be flowing into real estate over the next several years. This effect is further enhanced when one considers the overall high growth rate of pension assets.

Corporate pension plans represent 70% of the total pension assets in equity real estate with public funds such as government employees and teachers retirement systems making up the balance. The corporate plans got a head start in the business, many beginning as early as 1970 while the public plans are playing a "catch up game." Public pension plans total 13 of the top 20 funds in the country. It is estimated that total pension equity investment in real estate in 1987 will total \$6 billion.

The other major player in the real estate capital market in 1987 and years thereafter is the offshore investor, particularly the Japanese. There has been tremendous capital investment growth by the Japanese and other Far East investors in the U.S. real estate market. In 1981 Japanese investment totaled \$750 million. In 1986 total investment was \$5 billion and in 1987 it is expected to top \$7 billion. The Japanese are the largest capital exporting nation in the world. They have exported almost every other type of manufactured commodity and now are re-investing their wealth throughout the world. The Japanese feel comfortable with the economic climate in the United States and the prospects for growth.

Currency shifts have provided further incentive for the Japanese. The dramatically changing currency markets have dropped the yen to the 150 range which essentially gives the Japanese 40% more purchasing power in the United

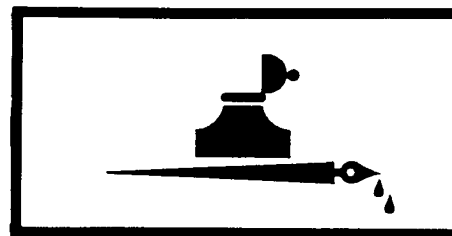
States. The Japanese can also borrow at very competitive rates currently estimated to be in the 6% range, which gives them tremendous competitiveness when acquiring properties in the United States.

The Japanese are moving along the learning curve of investment in the U.S. Several years ago, most Japanese were only interested in Treasury Securities. Now they have moved on to prime real estate. The type of real estate that they are most familiar with is the central business district office building or possibly a hotel. The Japanese first invested in the coastal areas of California and New York, but are now moving on to major central cities such as Chicago, Minneapolis and Atlanta. Most Japanese real estate investors still favor fully-leased office buildings, but some are entering into joint ventures for office building and hotel development with major U.S. partners. In time this learning curve will expand and the Japanese will move on to other types of product and various markets.

In spite of the loss of tax-oriented capital to the real estate market, it is our opinion that the pension fund and offshore investment capital will more than fill that loss. In fact, we believe that the capital markets are going to make the real estate business even more competitive and will cause a steady increase in real estate values rather than the former assertion. Although there are immediate problems in the real estate markets today, we believe they involve the disequilibrium in the supply and demand for space and are not a result of a lack of capital. In the long term, we believe that the capital base available for real estate will be stronger than ever before as real estate becomes an accepted asset class for ownership by institutional investors.

\*\*\*\*\*

James S. Smith is President of Bennett & Kahnweiler Realty Advisors, the registered investment advisor affiliate of Bennett & Kahnweiler Incorporated headquartered in Chicago. Mr. Smith's firm specializes in the acquisition, disposition and asset management of major commercial properties throughout the United States upon behalf of institutional investors both domestic and foreign. Mr. Smith is a 1977 graduate of the Masters Program at the University of Wisconsin.



## Publishers Corner

In an effort to keep everyone up to date on articles published by students, faculty, alumni, the Publications Corner will be included as a regular feature of the Equity Kicker. We ask that authors please submit timely reminders to the editors of the Equity Kicker in order that we might recognize your efforts in this section of the newsletter.

Ralph Cram, "Small Tenant Centers: Opportunities in Re-Use of Distressed Properties," *Real Estate Review*, Spring 1987.

James A. Graaskamp, "Appraisal Reform and Commercial Real Estate Investment for Pension Funds," *Salomon Brothers, Inc. Bond Market Research*, January, 1987.

Terry V. Grissom, "Value Concepts: The Argument Forms and Market Structure," *Appraisal Journal*, April 1986.

Terry V. Grissom, "Appraisal and Feasibility Models," *Appraisal Journal*, April 1986.

Terry V. Grissom, "Real Estate Syndications: An Analysis of Real Estate Investments with Multiple Equity Problems," *Appraisal Journal*, July 1986.

Terry V. Grissom and Ko Wang, "The Matched pairs Analysis Program and Compliance with the R-41B/C Memorandum of the FHLBB," *Appraisal Journal*, January 1987.

William Huberty, "Pensions and Housing Investments," *Real Estate Review*, Winter 1986.

William Huberty, "Valuation Implications of the New Tax Law for Residential Rental Properties," *The Real Estate Appraiser and Analyst*, Winter 1987.

Dowell Myers, "Extended Housing Forecasts for Metropolitan Areas—Foresight on the Coming Downturn," *Appraisal Journal*, April 1987.

Dowell Myers, "How to Ride Local Demographic Waves," *American Demographics*, April, 1987.

James D. Vernor, *Readings in Market Research for Real Estate*, American Institute of Real Estate Appraisers, 1985.

Neil Carn, Joseph Rabianski, and James D. Vernor, "Trial Techniques of Expert Witnesses," *Real Estate Review*, Spring 1986.

Leon Shilton, "The Snails Pace of Commercial Securitization," *Journal of Real Estate Finance*, Fall 1986.

Leon Shilton, "Tax Reform: The Lord Giveth, The Lord Taketh Away," *Journal of Real Estate Accounting and Taxation*, Spring 1986.

# A New Day for Market Research

*Dowell Myers  
University of Wisconsin  
Real Estate Faculty*

One of the darkest areas in the real estate profession has recently been thrust into the spotlight. Market research has always been considered important, but method development in this area has lagged well behind the rest of the field. Despite the microcomputer revolution, many of the commonly used techniques haven't changed in 20 years.

Some observers have suggested that lack of progress may be due to the nonconsequence of market research in the past. Investment decisions were driven by other criteria, with the market study presented as mere window dressing.

Circumstances have now changed. A glut of product in office, retail and apartments illuminates the noninfluence (or inaccuracy) of a good many market studies in the recent past. Even harsher scrutiny has been imposed by federal regulators (for example, the FHLBB's Memorandum R41c), causing lenders to tighten up and impose sharper demands for proof of market viability. The Tax Reform Act of 1986 adds still further pressure: without favorable tax treatment projects must live or die on the basis of real demand they can capture.

After years of relative neglect the profession has some catching up to do, and the Wisconsin Real Estate Program plans to help. The Graaskamp approach has always emphasized a sharper look at market research as part of the feasibility or appraisal process, and Wisconsin graduates have contributed more than others to elevating the skills of market research.

Wisconsin alumni (and others) may wish to learn about some further advances under way in the area of market research. Joining the faculty last spring, my contribution to the program is in the area of urban land economics, applying my research interests in urban forecasting, demography, geography, and urban economics.

One basis for improving market research stems from a simple conceptual shift. While some have treated

market research as mere cataloging of current market conditions, we are stressing that good market research requires urban forecasting: projecting future market conditions. A second basis of improvement is to select methods adapted to the available data. Too often in the past, researchers have emphasized their favorite regression tools, ignoring a wealth of data that those tools cannot tap.

Computer spreadsheets are ideally suited to another family of methods that squeeze maximum information value from commonly available data. These data are typically presented as multi-dimensional tables—variables are categorized, not the interval-level or continuous variables required for regressions. Tables are the data form for all published data products from the federal government (Bureau of the Census, Bureau of Labor Statistics, etc.) as well as from private firms providing local forecast data.

We are adapting methods derived from demography to the analysis of these tabular data sets. Different specific methods are useful for residential, retail, office, or industrial analysis, but a general approach is shared. Very briefly, we first model the changing

composition of the consumers and work force. Then we model the changing behavior rates and subgroups, applying these changing rates to the changing composition. Data are adapted to smaller local markets by "borrowing" from larger areas, relying extensively on the method of iterative proportional scaling.

A hallmark of the Wisconsin approach to market research has always been the perceptive use of primary survey research. This year we are strengthening those skills with intensive drilling on the intricacies of questionnaire writing and the art of survey data analysis. The ultimate skill in market research is the efficient integration of primary and secondary data analysis, i.e. how to link questionnaire data pertaining to micro behavior with aggregate market data pertaining to macro trends.

Over the next few years we hope to elevate the Wisconsin style to an even higher level of performance. Market research is a tough task to master—no wonder this task has remained so elusive—but the Wisconsin Real Estate Program will continue to advance the profession with its innovative instruction.

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## Faculty Addition

As a result of all the recent efforts directed toward the alumni drive, a major announcement has been delayed—but not forgotten. Dowell Myers, recognized nationally for his research and contributions to the fields of demography, housing markets, and the spatial structure of urban growth, has joined the University of Wisconsin Real Estate Department.

Dowell attended Columbia as an undergraduate, received his M.C.P. in City and Regional Planning at the University of California—Berkeley, and went on to earn his Ph.D. in Urban and Regional Planning at Massachusetts Institute of Technology. Despite lacking a real estate background from Wisconsin, he fits in pretty well here. In addition, Professor Myers has been an instructor

at M.I.T. as well as an assistant Professor at the University of Texas at Austin. Professor Myers has over 20 major publications under his belt and has already produced several significant works since joining the Wisconsin Real Estate Department. Dowell teaches urban economics, market research, and public policy courses as well as coordinates the Real Estate Department with the Department of Urban and Regional Planning and the Department of Geography. Obviously, the addition of Professor Myers has made a "heavy" real estate faculty even heavier.

If you get the opportunity at the upcoming alumni reunion to meet a tall, stately-looking fellow with the name Myers taped on his chest, be sure to introduce yourself and make him welcome at his new home at the University of Wisconsin.

The following students have received  
1986-87 scholarships:

American Institute of Real Estate Appraisers:

Paul Bakken  
Vincent Slupski

Wisconsin Realtors (Ralph J. Anderson):

Thomas J. Schmid  
Heidi Hiller

Society of Real Estate Appraisers:

Fabio Baum  
Robert E. Heinzl  
William J. Huberty  
Mark A. Kelling  
Daniel R. Levitt

Real Estate Alumni:

Daniel R. Levitt  
Sandra Lottes  
Douglas Engelman  
Rita Spence

Fran Larson (R.E. Alumni):

Karen M. Wilbrecht

R.V. Ratcliffe (R.E. Alumni):  
Vincent Slupski

Zuckerman-Komppa (Seville Investment Group, Ltd.):

Angelia G. Evans  
Rita Spence

Herbert U. Nelson Memorial Fund:

Roy L. Splansky

California Mortgage Bankers Association:

John M. McCarthy

Harwood Memorial Scholarship Awards

1. Fabio G. Baum
2. Alan Chesler
3. Arne Cook
4. Scott M. Dixon
5. Douglas M. Engleman
6. Heide S. Hiller
7. Marc David Ley
8. Craig Alan Lieberman
9. Janis Gail Reek
10. Paul Edward Wilson



## POSITIONS AVAILABLE

National Property Advisors  
Director of Real Estate Appraisal  
Montpelier, Vermont  
Contact: Cathy Swain

3M Real Estate and Geology Department  
Associates in Real Estate  
Minneapolis, Minnesota  
Contact: David P. Drewiske

Norris Beggs & Simpson  
Position in Mortgage Banking Division  
San Francisco, California  
Contact: Eric S. Von Berg

Klaff Realty, Limited  
Associate in Acquisitions  
Chicago, Illinois

Kenneth Leventhal and Company  
Associate in Management Advisory Services  
Los Angeles, California  
Washington, D.C.



Wisconsin Real Estate Alumni Association, Inc.  
Room 118  
School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706

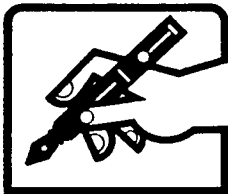
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Madison, WI



# NEWSLETTER EQUITY KICKER

VOLUME 2, NUMBER 3

FALL 1987



## A Letter From Chief

We all survived the biennial extravaganza known as the U.W. Real Estate Reunion and Bash on October 22-25. At least 345 Alumni were in attendance during the 2½ days, including 17 industry leaders from Wisconsin and 4 reporters, including the *Chicago Tribune*. At least 480 spouses, spices, students, and speakers attended the Friday night banquet pushing the Concourse to its capacity. Hopefully by 1989 we'll have a new convention center for Madison on the North side! That day won't be any colder than Homecoming weekend this year with its snow flurries, showers, and losing effort by the Badgers against Northwestern downed 27-24. The guest speakers were uniformly good and the Alumni panels were intense. The luncheon speaker was David McGregor, a partner in Alexander Cooper & Company, who gave an outstanding lecture on how the urban planner creates value with human scale and flexible phasing for large tracts like Battery Park, Trump Park in T.V. City, or the Chicago Dock. The principles had universal application. Charles Shaw, ULI Trustee and developer of landmark projects such as Lake Point Towers, redevelopment of the Conrad Hilton, and the Museum of Modern Art Tower in New York City, received the Wisconsin Award for Distinguished Contribution to Real Estate. He and his wife, Beverly, were charming and they brought a whole table of sons,

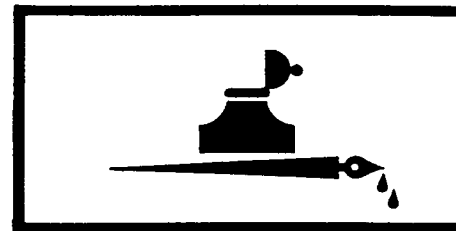
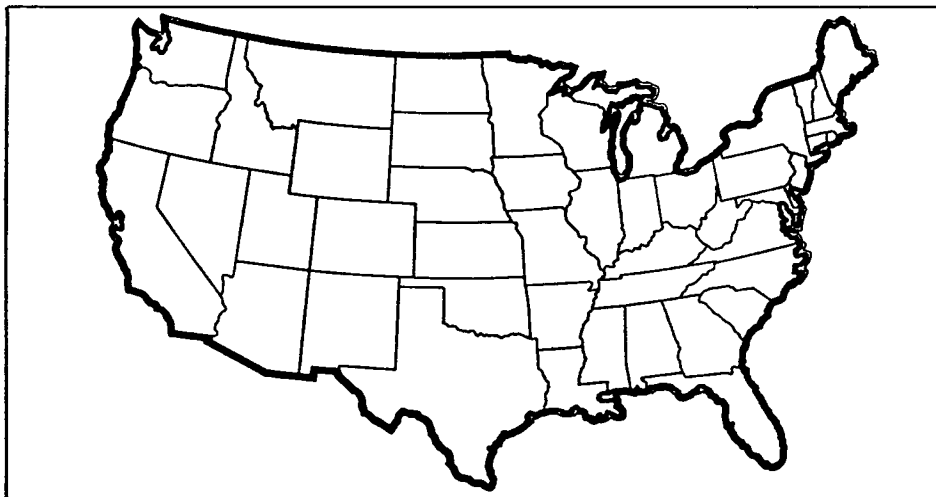


*Charles Shaw, the 1987 recipient of the Wisconsin Award, is pictured receiving his plaque from Dianne Orbison.*

daughters and in-laws to enjoy the evening. The Friday evening banquet was capped by the appearance of two-thirds of the University Marching Band, a surprise event, arranged through the connivance of Jim Curtis and Mike Robbins. Even the bankers and those in trauma over the stock market were dancing on the tables, doing the "chicken", or saluting Wisconsin with the Budweiser theme.

All of these events will be available on a 2-hour VCR tape edited by Bob Parson for a fee. Call Bob if you are interested so we can estimate potential demand.

Charles H. Shaw, is also a trustee of the Wells Fargo Mortgage and Equity Trust. Wells Fargo Advisors made a gift of \$5,000 to our endowment fund. In subsequent semesters, we will award \$500 in the name of Charles Shaw as an additional alumni scholarship.



## Publishers Corner

In an effort to keep everyone up to date on articles published by students, faculty, alumni, the Publications Corner will be included as a regular feature of the Equity Kicker. We ask that authors please submit timely reminders to the editors of the Equity Kicker in order that we might recognize your efforts in this section of the newsletter.

Myers, Dowell, "Community Relevant Measurement of Quality of Life: A Focus on Local Trends," *Urban Affairs Quarterly*, September 1987.

Myers, Dowell, "Internal Monitoring of Quality of Life for Economic Development," *Economic Development Quarterly*, August 1987.

Rendahl, Frederick, "Asbestos Risk," *Urban Land*, July 1987.

## From the Provinces

Ken and Nancy Browne are the proud parents of a 7 lb., 11 oz. baby girl—Kelsey Cathleen Browne. Not to be outdone, Andy and Libby Bruce (both '85 graduates) produced a smaller version of the same miracle—4 lb., 8 oz. Douglass Morehouse Bruce. I wonder what assets Douglass will be trying to accumulate in the Monopoly toddler league?

Jim Purintan ('81 graduate), former Vice President with Prudential in Chicago, will be taking charge of the development operations at Rubloff in Chicago.

Jeff Huggett has a GQ spot in the September 14th issue of the Minnesota Real Estate Journal. Jeff is shown

"looking good" while promoting the services of Eberhardt Commercial Real Estate.

Jim Nickelatti ('85 graduate) has joined Panglossian, Ltd., a market research firm in Madison.

Those of you who thought that Terry Esquivel Furlong had gained a few pounds since her graduation were quite perceptive. However, it was not due to poor eating habits. Brian and Terry Furlong (both '85 graduates) are expecting an addition to their family this spring. Congratulations!

David Bur recently accepted a commercial analyst position with AREA, Inc.

where he will be coordinating the Kansas City office.

Congratulations to Mark Eppli who received a \$5,000 award for his submission in the Schidler Real Estate Essay competition. Mark received second place for his entry entitled "Harvesting a Corporation's Leasehold Assets". Ralph Cram also received a \$1,000 award for his entry.

### EQUITY KICKER

VOLUME 2 FALL 1987

Published bi-annually for the members of the Wisconsin Real Estate Alumni Association, 115 Observatory Drive, Room 118, Madison, Wisconsin 53706.

"Chief" Editor  
Professor J.A. Graaskamp

Assistant Editor  
William J. Huberty  
Mark T. Behling  
Elaine Worzala

Publicity Committee  
Daniel J. Volpano  
J.P. Morgan Inv., New York

President, Alumni Association  
Dianne M. Orbison  
MSI Insurance Inv., Minneapolis

## Reminder to Recent Graduates

Just a reminder to all those who graduated in spring to be sure and write or call and give us your new place of employment and home address. This is encouraged to maintain an up-to-date and accurate directory. The Real Estate Alumni Association address is:

University of Wisconsin Real Estate Alumni Association  
Room 118  
School of Business  
1155 Observatory Drive  
Madison, WI 53706.

## Hilgenberg, President Wisconsin REALTOR

Congratulations to Terry N. Hilgenberg, a 1973 graduate of the program.

After previously serving the REALTORS Association on numerous state committees and for five years on the WRA Executive Committee in various positions including Treasurer, Terry was elected the 1988 President of the Wisconsin REALTORS Association. Terry is currently a director of the National Association of REALTORS and remains active as the general manager of Coldwell Banker/Hilgenberg REALTORS and as a partner in Hilgenberg and Associates, a company specializing in commercial, development, and investment real estate.

# Money Matters

At the Board of Directors meeting it was reported that the endowment fund balance totaled \$549,351 at the close of October, 1987. Approximately \$145,000 in pledges remains to be collected. Our original goal was to have \$650,000 in the bank by the close of 1987 and that may still be possible if several major donors come through as scheduled and we collect half of the remaining pledge balance. Our long term goal is to reach 1.3 million by the close of 1989 and that will be very tough to do as we compete with a University of Wisconsin fund drive and a school of business which will begin late in 1988. At the meeting, Chief reported that the Endowment Fund paid for the following expenses during the first nine months of 1987:

Guest Lecturers . . . . .	\$18,245.91
Fund Raising . . . . .	13,965.38
Teaching Assistants . . . . .	22,161.27
U.W. Extension	
Classrooms, etc. . . . .	86.00
Computers Software	
& Library Books . . . . .	1,323.75
Faculty Travel . . . . .	1,821.21
<b>TOTAL</b>	<b>\$57,603.52</b>

Dean Hickman reported to the Alumni Board of Directors that the legislature had committed to a new \$26 million business school at the intersection of University Avenue and Brook Street. The School of Business must raise \$4 million before the state will hire an architect and authorize \$17 million in bonds. Ultimately, the School of Business must find another \$4 million in the private sector. One possibility is that the Real Estate Department could use approximately \$125,000 of its endowment to design its own configuration of faculty and lab space within the floor plan of the new building. If there is any alumnus who would like to gift such a configuration, I am sure that proper recognition and naming of the facility for the Real Estate Department would be possible. Wharton and MIT already have specific facilities for their real estate programs.

Charles Heath and Ed Atwood report-



*The University of Wisconsin Marching Band is shown taking charge of Saturday night's entertainment at the Concourse.*

ed that they were close to finishing 501 (c)(3) status for THE REAL ESTATE EDUCATIONAL FUND, INC., and endowment supporting real estate education in the state of Wisconsin which is free of University controls and able to direct its gifts and awards according to the goals of the fund and authorization of the directors. A listing of the current Alumni Association Board of Directors is shown on page 4.

Those who are reluctant to send their pledges or contribution to the endowment fund at the Foundation, may send their checks to THE REAL ESTATE EDUCATIONAL FUND, INC., P.O. Box 6438, Madison, Wisconsin, 53706.

Minimum contributions for 1988 will be \$35 per alumnus. The real estate alumni do not have dues because dues are not deductible as a charitable donation. The objective will be to have at least 800 members volunteer their contributions in 1988 as that will raise \$28,000 to pay for all aspects of the alumni organization including a new

half-time alumni corresponding secretary hired through the school of business. Another major expense which needs to be covered is the maintenance and delivery of the alumni directory twice a year. Payments in excess of \$35 are very much encouraged and the balance in excess of \$35 will be deposited in the U.W. Foundation Fund. Last year, less than 300 actually made the minimum contribution or more. Therefore, the alumni computer system has been programmed to send you a gentle reminder, in case you forget to contribute.

Chief wishes to thank everyone among the alumni who sent cards individually and collectively wishing a speedy recovery from his broken hip. The hip is mending and Chief will be back in an airplane before the end of November. He never missed a class and is as ornery as ever.

# Wisconsin Real Estate Alumni Association Board of Directors

## Term Expiration

- 1991 Mike Casey  
JMB MANAGEMENT  
3525 Piedmont Building #7  
Suite 315  
Atlanta, Georgia 30305  
(404) 261-9752
- 1989 Daniel J. Volpano  
J.P. MORGAN  
INVESTMENTS  
522 5th Avenue, 10th Floor  
New York, NY 10036  
(212) 837-1230
- 1989 James J. Ablan  
MEYER INVESTMENT  
PROPERTIES, INC.  
401 No. Michigan, Suite 525  
Chicago, IL 60641  
(312) 321-1521
- 1989 John W. Ramzy, Ph.D.  
KILLEEN SAVINGS  
AND LOAN  
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Killeen, TX 76540  
(817) 526-7511
- 1989 David Law  
L.J. HOOKER  
INTERNATIONAL  
101 California Street,  
Suite 1100  
San Francisco, CA 94111  
(415) 955-5300
- 1989 Michael J. Samuels  
LINPRO COMPANY  
100 Berwyn Park, Suite 105  
Berwyn, PA 19312  
(215) 251-9860
- 1991 William B. Ardern II  
4701 No. 76th Street  
Milwaukee, WI 53218  
(414) 462-1210
- 1991 Yvonne Schell  
WELLS FARGO  
REALTY ADVISERS  
4643 So. Ulster Str.,  
Suite 1400  
Denver, CO 80237  
(303) 741-0800
- 1991 Mark Ebacher  
RECORP COMPANIES  
7000 E. Shea Blvd. #250  
Phoenix, AZ 85258  
(602) 991-2288

## Term Expiration

- 1991 Jeffrey Huggett  
EBERHARDT COMPANY  
3250 West 66th Street  
P.O. Box 1385  
Minneapolis, MN 55440  
(612) 924-2251
- 1991 Robert H. Curtis  
KARSTEN  
REALTY ADVISORS  
12121 Wilshire Blvd.,  
Suite 9000  
Los Angeles, CA 90025  
(213) 826-0035
- PRESIDENT**  
1989 Dianne M. Orbison  
MSI  
INSURANCE COMPANY  
Box 64035  
St. Paul, MN 55164  
(612) 631-7472

## January Conference Slated

The Atlanta Chapter of the Wisconsin Real Estate Alumni and the Georgia State Real Estate Alumni Group will be co-sponsoring a conference entitled, *Public and Private Control of Appraisal Procurement*. This conference is approved for certification by the American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers. Held at the Radisson Inn Dunwoody in Atlanta, the conference will feature William Kinnard, John White, Carl Shultz, Congressman Douglass Barnard as well as J.A. Graaskamp. Those interested in attending this January 8th conference should contact Chief. Proceeds from the event shall be directed to the U.W. Real Estate Endowment Fund.

## INCOME STATEMENT OF ALUMNI REUNION

### Gross Receipts

Registration & Meals .....	54,796.48
Interest Earned .....	323.01
Total Receipts .....	\$5,5119.49

### Expenses

Refunds .....	820.00
Entertainment .....	3,150.00
Badger Bus .....	280.00
Signs & Awards .....	570.68
AV Setup .....	1,072.25
Binders .....	4,591.08
UW Athletic Dept. ....	3,080.00
Conference Coordinator .....	4,697.00

### Reserve for Anticipated Expenses

Catering bill .....	18,900.00
Speaker Expenses .....	2,250.00
Copy Center .....	500.00
Contingency .....	1,000.00

Total Expenses .....	\$40,911.01
Estimated Surplus to be Transferred to Foundation Acct. 199 for Alumni Operations .....	\$14,208.48

Compiled by E.W.

## Selected Excerpts From Charles Shaw's Acceptance Speech

"He (Chief) wasn't at all what I expected: He wasn't interested in form. He went right to the point in 'communicating the excitement and the potential for effecting change that's inherent in becoming a true real estate professional.' He was clearly interested in substance."

"Let me say right at the start that luck and good fortune have had a big part in whatever success I've achieved. Bev's father always says: 'Never confuse genius with conditions' . . . and he's so right."

"But I've always worked hard; God gave me a lot of energy. And it's fair to say that I'm a persistent person; Bev might even say 'stubborn'. I enjoy competition. I'm comfortable with risk. But I'm not a gambler, I'm a risk-taker."

"The Trust was not easy to deal with, and we were faced with an unsubordinated leasehold. I later was told there had never been a significant new apartment building financed and built on an unsubordinated leasehold, but frankly, at the time I just didn't know any better. But we got it done."

"Looking back, I learned a lot from that experience (Lake Point Tower): I learned I could play in this league; that there was nothing really magic about it, some deals just have a few more 000's than others."

"But on the other hand, as John Wooden says: 'It's what you learn after 'you know it all' that counts.'"

"But a lot of people talk, and I guess I agree with Ben Franklin, who said: 'Well done is better than well said.' And so I decided to plunge ahead and try to get some things done."

"Lake Point Tower had taught me a few things, the most important of which were: the impact that good development can have on a community, and the difference between site and location. I also learned that patience, persistence and hard work do pay off. It's so true that 'many of life's failures are people who did not realize how close they were to success when they gave up'."



Several of the Alumni here are shown "catching" the spirit of the reunion.

"I'm not interested in bigness; we have no desire to go public. We'd simply rather do a few things and do them well."

"I really do agree with John McKay, former Southern Cal coach now with Tampa Bay, who talks about the 'mirror test'. He said: 'All that matters is if you can look in the mirror and honestly tell the person you see there that you've done your best'."

"I reflected and realized that, no, I really didn't feel good. And I really wasn't reflecting enough on the positive side of life. That opened my eyes, and I began to realize that it was okay to appreciate and enjoy success."

"Oliver Wendell Holmes said: 'The greatest thing in this world is not so much where we are, but in what direction we are moving.' Mr. Holmes was very preceptive."

"I'd like to leave you with the words of the Urban Land Institute's Credo, which says: 'As responsible citizens, we shall leave this land enhanced . . . thereby enriching the lives of all who live on it'."

"This to me, is the essence of good development."

## 1987 Scholarships

The following students have received 1987-88 scholarships:

Charles Davis  
R.U. Ratcliff Award  
R.E. Alumni Award

Janis Reek  
Fran Larson Award  
R.E. Alumni Award

Daniel Ault  
R.E. Alumni Award

Arne Cook  
R.E. Alumni Award

George Helf  
R.E. Alumni Award

Craig Lieberman  
R.E. Alumni Award

Elaine Worzala  
R.E. Alumni Assoc.

Arne Cook  
American Institute of  
R.E. Appraisers





## POSITIONS AVAILABLE

Analyst with the Merrill Lynch Real Estate Investment Banking Group in Dallas, Texas. Candidate should have an advanced degree in real estate investment analysis. Strong valuation, financial analysis, and computer skills required. Contact: Richard Shima, Merrill Lynch World Headquarters, North Tower 26th floor, New York, New York 10281-1201.

Manager/Appraiser with top tier Real Estate Finance department of a major NYC financial services institution. Candidate should have a minimum of 5 years of experience in the appraisal of new construction in NYC. Previous supervisory experience preferred. Manage 4 to 5 appraisers. Word processing experience and PC familiarity a plus. MAI is not required. Contact Steve Wade, 101 Park Avenue 17th floor, New York, New York 10178.

AVP of Finance of one of the top developers of major commercial projects in the country. Person will evaluate, analyze, structure, and package major debt, joint venture and equity financing on company projects. All projects are developed for company account. Looking for 4 years experience with life company or pension fund, strong underwriting skills, deal oriented person. Willing to relocate to Ohio. Call (412) 355-8200 and ask for John Cigna.

VP Finance for a 20+ year old commercial and residential developer in the Midwest and Southeast. Must be adept at joint venture and equity sources side of deal—proven contacts with major equity players (life companies, pension funds, advisors). Willing to relocate to Ohio. Person will get piece of deals financed. Prefer Midwest experience. Call (412) 355-8200 and ask for John Cigna.



Wisconsin Real Estate Alumni Association, Inc.  
Room 118  
School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706

Nonprofit  
Organization  
PAID  
Permit No. 658  
Madison, WI



# THE *EQUITY KICKER*

NEWSLETTER OF THE  
WISCONSIN REAL ESTATE ALUMNI  
ASSOCIATION INC.

VOLUME 3, NUMBER 2

FALL 1988

## Alumni Update

Dianne Orbison

One of the unique features of the Wisconsin Real Estate program is the strength and support of its alumni association. Since the Chief's death, many alumni and friends have offered their help to continue and improve the U.W. Real Estate Program and Alumni Association. Your assistance is invaluable and appreciated.

Many things have happened since the publication of the last Equity Kicker. A summary of the developments follows:

Dowell Myers has accepted an associate professorship in the School of Urban and Regional Planning at the University of Southern California. He has also been appointed co-director of the Lusk Center for Real Estate Development. While at Wisconsin, Dowell achieved tenure and we congratulate him for his accomplishment. We will miss his contributions to the program

*(continued on p. 4)*

## On The Headlines

For those of you who might be wondering, you should be happy to know that the Fall semester is underway and the Spring semester is programmed to go. All courses previously taught are being taught this year, with no exceptions. Our alumni have pulled together with our on-site PhD candidates to maintain the

Michael Robbins

breadth and quality of the department's course offerings.

Ed Atwood just happened to be in town while his wife, Diane, was finishing up an M.S. in Real Estate. Jim Delisle took it upon himself to help organize the continua-

*(continued on p. 3)*

## UW Real Estate Goes to Disney!

*(Story on Page 6)*



## From The Provinces



Singles from the UW Real Estate program are dropping like flies. Jim Drewry and Kristi Kopp tied the knot in Lake Geneva, Wisconsin on Sept 17, 1988. Jim Sobel and Whit Osgood were members of the wedding party while several other alums from San Francisco and Madison joined the celebration.

Mark and Renee Manion were also married on Sep. 17 in Milwaukee, WI. Steve Cortese was in the wedding party while alums came from Minneapolis, New York, California, and Illinois.

We are pleased to announce that Dale and Kate Gruen, of San Francisco, gave birth to

triplets this fall. We get the feeling that they will be investing in day care centers very soon.

Chuck Murphy has been promoted to Senior Associate with Reynold & Shidler and moved to Phoenix, AZ.

Jim Nickellati is now with RERC in Chicago, IL.

## Attention: Florida Alumni

Due to the increasing number of alumni moving to Florida, preliminary steps are being taken to organize a Florida chapter. Kevin Coffey, MS '86, is organizing the chapter, and can be contacted at 407-833-4211.

## Directory News

We are planning to mail the alumni directory in early November. We hope you like the new look and arrangement of it. Thanks to laser printer technology, we have managed some big improvements. More improvements are pending, as decisions are made regarding future arrangement of the directory. If you have suggestions regarding the directory, direct them to George Helmke or Dianne Orbison. Most important: If you have address or other changes, let us know by Oct 15. Mail changes to the address in the box at left, or call us at 608-262-0787 M-F.

## A Note About The Chief

George Helmke

This is the first Equity Kicker since the passing of our friend, mentor, and teacher James A. Graaskamp "Chief". As with everything else in this program, he was intimately involved with this publication. Doing it without him is like learning to do it all over again.

Trying to pick up where Chief left off is both intimidating and exciting. Attempting to walk in the footsteps of a great man is intimidating. Succeeding with it is exciting.

Chief inspired us by showing us that we had abilities far greater than we ever thought. This is now being taken to a whole new level, as we learn to do for ourselves what he had been doing for us all along.

### EQUITY KICKER

#### VOLUME 2 FALL 1988

Published tri-annually for the members of the Wisconsin Real Estate Alumni Association, 1155 Observatory Drive, Room 118, Madison, Wisconsin 53706.

Executive Editor

*Michael Robbins*

Editor

*George Helmke*

Pres., Alumni Association

*Dianne M. Orbison*

MSI Insurance Inv., Minneapolis

### REMINDER TO RECENT GRADUATES

Just a reminder to all those who graduated recently to be sure to contact us. Give us your new place of employment and home address, and we will send you everything you need to be a UW Real Estate Alumni Association member. Remember: We can't always find you, but you can always find us, so stay in touch.

## Headlines *(continued from p.1)*

tion of the 795 guest lecture series. This semester Jim is focusing on the areas of "Applied Real Estate Topics", beginning with Dr. Andrews, who will be covering Urban Land Economics. He will bring in guests to cover Appraisal, Feasibility, Market Analysis, and Investment Analysis. In the Spring semester Jim will focus the 795 series on Issues and Process of Equity Investment. In this way the 850 students will be receiving structure and mechanics from Ed Atwood and current issues and process from Jim. I am excited about this format as it will allow us to combine current process with classroom structure.

The following is a list of instructors and what courses they will be teaching in Fall and Spring:

1. Ed Atwood, Ph.D.- Accounting, M.S.- Real Estate; Fall- Real Estate Process 550/705, Real Estate Finance 551; Spring- Real Estate Process 550/705, Equity Investment 850.

2. Jim Delisle, Ph.D. and M.S. Real Estate; Fall- 795 Series "Applied Real Estate Topics"; Spring- 795 series "Applied

Real Estate Analysis".

3. Mike Robbins, Ph.D. Civil and Environmental Engineering; Fall- Residential Development Feasibility 554, Real Estate Appraisal 856 with Rendahl, Ph.D. Seminar; Spring- Commercial Development Feasibility 555, Real Estate Feasibility 857, Real Estate Market analysis 757 with staff, Ph.D. Seminar.

4. Rod Matthews J.D.; Fall- Business Law; Spring- Land Use Control 852, Real Estate Negotiations 769, Residential Real Estate Finance 552.

5. Fred Rendahl, Ph.D. Candidate; Fall- Urban Land Economics 557, Real Estate Appraisal 856 with Robbins, Dissertation Proposal; Spring- Principles of Urban land Economics 650, Market analysis 757 with Robbins, Dissertation Proposal.

6. Mark Eppli, Ph.D. Candidate; Fall- Micro Computer Applications 652, Prelim Exam in November; Spring- Micro Computer Applications 652, Dissertation Proposal.

7. Elaine Worzala, Ph.D. Candidate; Fall- Real Estate Appraisal 556, Prelim Exam in

November; Spring- Possible internship with an international development company in Holland, Dissertation Proposal.

8. Dan Knox, Ph.D. Candidate; Fall- Real Estate Process 550/705 T.A. and administrator, Prelim in November; Real Estate Process T.A., Dissertation Proposal.

9. Evan Harrison, Ph.D. Candidate; Fall- Real Estate Finance 551 T.A.; Spring- Residential Finance 552 T.A., Prelim Exam in January.

10. Tony Ciochetti, Ph.D. candidate; Fall- Urban Land Economics 557 T.A., Residential Development 554 T.A., Prelim Exam in November; Spring- Commercial Development 555 T.A., Possible Real Estate Process 550 T.A., Dissertation Proposal.

11. Chuck Carter, Ph.D. Candidate; Fall- Real Estate Process T.A.; Spring- Real Estate Process T.A.

12. Genny Mitnacht; Fall- 856 Writing Lab Instructor, Spring- Possible 857 Editor.

When not involved in day-to-day department work or the selection committee I have been trying to edit

*(continued on p. 6)*

## Alumni Update *(continued from page 1)*

but wish him well at USC. An advocate of the Wisconsin approach, Dowell will be a strong ally in the southwest.

A screening committee has been appointed by Dean Hickman to recommend the appointment of the Real Estate professors. The committee is composed of Jack Nevin (Chairman of the committee and Marketing Program), Richard Andrews, William Dodge, Ralph Kieffer, Rod Matthews, Mike Robbins, and Dianne Orbison as an ex-officio member. We are truly fortunate to have Jack Nevin serve as chairman. His commitment to and understanding of the program's needs and challenges are exceptional. Because of the time required to assess the current and future program, inventory existing University resources, define faculty requirements, advertise, interview, and wait for practical hiring times, we do not expect to have any permanent faculty on staff before Fall 1989. Mike Robbins will comment on the interim teaching resources in another section of the Equity Kicker.

Hiring the 2-3 new real estate professors will be a challenging opportunity. Rather than focusing on an individual star, the committee hopes to recommend the best team of professors that

can be found. The ideal candidates should be able to address the requirements of teaching, research and the industry.

Position descriptions will appear in academic and scholarly journals. Within the last several weeks, invitations to apply have been mailed to potential candidates. Included with the invitations is a copy of "The Wisconsin Real Estate Tradition and Program". The document, written by the faculty and students, describes the history, foundation, and focus of the Wisconsin program. From this succinct document, it is easy to understand why we received the best real estate education at Wisconsin.

Several factors will make the hiring of new faculty challenging. These include: The size of Madison and its location in the Midwest; scarcity of excellent real estate faculty; limited State and University budgets to provide resources and income to faculty; and the publishing and research requirements of the University.

On the positive side, Wisconsin has many things to offer: A new School of Business building; cracker-jack Chancellor Shalala (a strong supporter of an excellent School of Business); support of Deans Hickman, Blakely and Strang to rebuild and improve the Real

Estate program; the program's history of excellence; and the support and strength of the alumni association.

There are many things that must be done to form the future Real Estate program that we want. Jim Curtis has been instrumental in outlining the broad issues and activities that need to be addressed. The strategy is to research, prioritize and plan in order to ensure the continuance of the preeminent Real Estate program.

Because of the program's need for financial resources and the fast approaching year end, formulation of a fundraising campaign has begun. Bob Peltzman, located in San Francisco, has volunteered to chair the fundraising committee.

After receiving comments from several directors and alumni, the campaign will be simplified, total \$1.2 million, and have a lengthened timetable but with many of the initial pledges made by year end. The \$1.2 million will provide funds to endow a James A. Grasskamp professorship, construct part of the Real Estate facilities within the new School of Business building and catalogue the Chief's notes and lectures. Further details about the campaign will be provided

*(continued on p. 5)*

## In The Pink (Or In The Red)

by Dianne Orbison

Ah, the ubiquitous hot pink envelope! The enclosed pink envelope is a reminder if you have not already contributed in 1988 of the alumni's needed support for the operation of the Association. Primary expenses of the association include: publishing and mailing the Equity Kickers and annual directory, mailing other correspondence, purchasing alumni data processing equipment, providing scholarships, and paying the salary of a part-time alumni coordinator. The coordinator is an expanded position since its approval at the last board meeting. The coordinator organizes the publication and mailing of the Equity Kicker and directory, maintains the directory's addresses, catalogues pledges and contributions, coordinates and responds to correspondence and maintains the operating statements. During the next academic year, the coordinator will maintain the list of professor candidates and attend all

screening committee meetings. George Helmke, who will be studying music at UW starting in January, has been doing a super job for us.

The association's operating funds are maintained in the Foundation's account #199 which is separate from any department endowment funds. This account is funded by profits from the biennial seminar and annual alumni contributions.

The association has no annual membership dues; the fact that you received your real estate education from the University of Wisconsin makes you a member. How-

ever, to operate the association, funds are needed, so we ask for contributions which allows you a tax deduction and a matching contribution from those who have access to corporate matching gifts. The minimum suggested contribution is \$35. Any amount will be appreciated. To those of you who have already contributed in 1988, we thank you.

A breakdown of the association's 1988 operating account follows. Without your continuing annual contributions, a deficit of \$3,592.87 is anticipated for 1988.

### Account 199 Summary:

Beginning Balance 1/1/88:	\$13,070.63
Expenditures Jan-Aug '88:	-19,312.56
Proj. Expen. Sep-Dec '88:	-13,433.07
Revenue Jan-Aug '88:	13,727.33
Proj. Revenue Sep-Dec '88:	2,354.80
Projected Balance 12/31/88:	-3,592.87

(continued from p. 4)

in the near future by Bob and his committee. Three non-alums helping Bob include Don Gray from the U.W. Foundation, George Helmke, alumni coordinator and Peter Kies, a Real Estate graduate student.

Foundation account number 235, the program's current endowment, exceeds \$640,000. Interest from this

account continues to pay for teaching assistants, the guest lecture course, and faculty and resource enhancements for the faculty.

Significant progress is being made by the school of Business to construct a new building. Over \$4 million has already been pledged which is a threshold ena-

bling an architect to be hired. Once a total of \$8 million has been pledged, construction can begin. It is anticipated that the new building will be completed by 1992.

We have begun to select the date and location of the next biennial seminar for the

(continued on p. 6)

## Headlines

(continued from p. 3)

several software manuals. Over the summer I had two students reworking the manuals I wrote for MRCAP, MRCAPINP, and MKTCOMP. What a monster job! I hope to have all manuals available to the students by mid-semester. By the way, I am slowly converting the programs from FORTRAN to True BASIC, so that we can tap into graphics and more extensive output routines.

On another front I have been working closely with the Homer Hoyt Institute, and have gotten them to agree to support three Ph.D.'s to develop dissertation topics in spatial real estate analysis. To this end I have spent some of your gift funds to purchase a super 386 micro computer. I have also gotten a commitment from the Tydec Corporation to donate a copy of their SPAKS spatial

analysis system, which retails for \$20,000. So we have the hardware, software, and partail support to begin doing first rate research in applied spatial real estate analysis.

I am of the opinion that now that the real estate industry has accepted the contribution of Cash Flow to real estate decision making, something we were doing in the mid 1960's, the next significant increment in elevating real estate decision making will occur through the use of spatial analysis tools delivered by Geographical Information Systems.

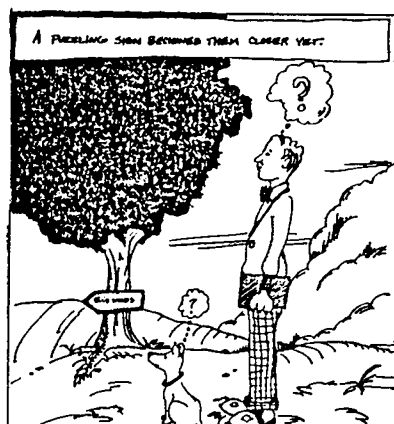
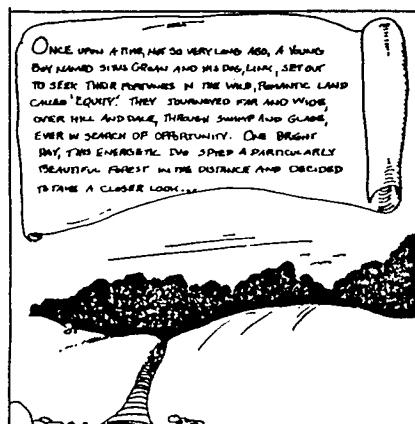
This might be an interesting topic to build the next alumni conference around.

We currently have several alumni actively involved in several facets of this technology.

## Alumni Update

(continued from page 5)  
fall of 1989. If anyone is interested in chairing and/or working on the committee to organize this event, please contact Dianne Orbison or George Helmke. Additionally, please let us know what things should be changed or maintained. At this biennial seminar, the positions of president and directors from the following regions will be up: New York, Chicago, Texas, northern California and Middle Atlantic or Pennsylvania. By that time, the organizational structure of the alumni association will be enhanced. If you have any interest in serving as a regional director or national officer, please contact your current director, Dianne Orbison, or George Helmke.

## From the UW Real Estate Archives-



## UW Real Estate Club Goes To Orlando

George Helmke

Location, location, Mickey Mouse. Can you think of three better reasons for the UW Real Estate club to go to Orlando, Florida in the dead of September?

Yes, the UW Real Estate Club ventured to the land of fun, sun, and some incredible real estate developments Sep. 22-26. Upon arrival, they heard a talk by Brian Py of Py Development. The subject was the Compri Hotel, and by virtue of the free accommodations for the club at the hotel, provided by Py Development, members of the club had a

chance to test the hotel first-hand.

Friday began bright and early, and was filled with a variety of sights and speakers from the City of Orlando. The evening started with a reception at the Omni Hotel, sponsored in part by the Florida alumni. Present were the UW R E club, alumni, friends, and field trip speakers. This was followed by a night on the town. We all know what that means.

Saturday was Disney day. Todd Mansfield, Vice President of the Disney Development Company, introduced a variety of speakers. There was also a bus tour of a number of developments, including Epcot Center and MGM studios. The rest of the day was left free to explore Disney.

On Sunday it was time to say goodbye to Mickey and all his friends.

Though this goodbye included an unplanned three hour layover, the R E Club found themselves back in Madison on Sunday night.

## Fall Dinner

Mark Eppli

On Sunday, September 18, we continued the annual Fall Fish Dinner-- although it wasn't held at Minick's Top Hat, there was no fish, there were no fish stories, and was without a slide show. Instead, brats, burgers, and a variety of picnic salads were catered by the Brat Haus. Horizon Development (alum Chuck Heath's company) supplied the real estate. It was the perfect setting for the dinner, a yet to be completed retail center on Mineral Point Road and the Belt Line. Among stacks of sheet rock, rolls of wire, and spackling mix, we ate out brats and drank our beer. Shortly after Mike Robbins jumped up on the stack of sheet rock to welcome the new and returning students, a greater power ushered in a nasty thunderstorm (the doors for the tenant space had been installed but were windowless), keeping Mike's address short. After a fast cleanup, some hardy souls stayed on to play whiffle ball, kickball, and hula hoop. Hello Fall 1988!

### Tape Library

A committee chaired by Evan Harrison is developing a complete library of Graaskamp lecture tapes. If you have any tapes, please let George Helmke know by letter the classes and dates. If we need yours, we will send a letter outlining procedures so you can be sure they will be responsibly copied and returned. We're also thinking publishing a collection of "Chief" stories. Please tape or type and send yours to George.





## Positions Available

**Commercial Appraiser.** Suburban Washington D.C. firm will be filling several positions in the next year. Interviews will be held in Madison, WI on Oct. 28 (the day before homecoming). Contact Kent D. Steele at Charles M. Merkle & Associates, 1470 Gov. Oden Bowie Dr., Ste. 200, Upper Marlsboro, MA 20772. He can be reached days at (301)952-0068, and evenings at (703)836-6988.

**Analyst/Manager/Consultant**  
Wolverine Investments, Inc., a small well-capitalized development

firm focusing on distressed industrial and office properties, is looking for people who will be involved in all phases of their business. This would include analyzing new acquisitions, construction management, leasing, and property management. Send resume to: Alan E. Gites, CEO, Wolverine Investments, Inc., 2835 North Sheffield Ave., Ste. 201, Chicago, IL 60657.

**Real Estate Consultant**  
Pannell Kerr Forster is looking for persons with an undergraduate or graduate degree, preferably real estate, finance, or business.

Real estate consultants are responsible for conducting the research, analysis, and writing required for the various appraisal and consulting assignments accepted by the firm. Familiarity with IBM-PC, and software such as Lotus 123, is important. Contact Peter Gloodt, MAI, Manager, Pannell Kerr Forster, 150 N. Michigan Ave., Suite 3700, Chicago, IL 60601.



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Nonprofit  
Organization  
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# Equity Kicker Extra

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## Hellooo.....Out There!

This is Orvil P. Anderson Reporting:

*\*Editors Note: Many of you can recall the crazy deals that Orvil got himself into. Exams and problem sets in Appraisal and the Feasibility Courses asked you to evaluate his financial position or deal structure. After years of abuse, Orvil has decided to enter the real estate program at Wisconsin.*

*Unfortunately he did not have the combination of grade point and GMAT score to be admitted, so in following tradition, he has decided to begin the program as a special student. Because he is a special student, Orvil does not qualify for financial aid. His cash is currently tied up in Texas office buildings which have no appraised value so to pay for his education, Orvil has decided to try free-lance reporting, after all his undergraduate education is in creative writing.*

It is Sunday evening, I am bone tired and I am winging my way back to Madison from Orlando, Florida, with fifty some real estate students, faculty, wives and Sean. Before coming to Madison I had been told by Alumni of the program that even the "West Point of Real Estate" idea is mild compared to this. The semester is less than three weeks old and there has been a real estate club meeting to elect officers, discuss summer internships, and collect dues (drinking money). The following week (Sunday the 18th) there was the traditional real estate department dinner where the faculty and student families get together to kick off the school year. This year the dinner was held in a shopping center currently under construction by some of the local alumni, Professor Robbins kept walking around pointing to things and saying "wait until 555", it must be a social disease. Then on Thursday morning (the 22nd) the field trip to Florida began.

The Florida field trip was great. The local development community rolled out the red carpet and made us feel very welcome. Two weeks before our arrival the development community began to get organized (an article in the local Orlando press announced that fifty representatives from the best real estate department in the country were coming to Florida to see first hand how the Florida market worked, from both the private and public side). Brian Py, the developer of the (Compri) Hotel where we stayed, went so far as to postpone the opening of the Hotel until the Monday before we arrived. (It is also my understanding that Todd Mansfield from Disney Development was keeping a close eye on the progress of the (Compri) and had set aside a block of rooms in one of Disney's new hotel projects to provide a backup, that's red carpet treatment. As a new student it was an unbelievable high to experience the development community's respect and willingness to assist this program. The seminar portion of the field trip began promptly Thursday evening with a presentation by Brian Py on the development and marketing strategy of the (Compri) hotel organization. We then moved to the informal portion of the seminar and began the evaluation of the hotel's staff. Since this was the bartender's first night on the job, we began with him. It took less than an hour and a half to drink the bar dry. We then set up a relay to the local 7-11 Store

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and imported substance until 4:00 a.m.

On Friday we were up by 6:30 for breakfast and on the bus by 8:00. Friday morning was spent inspecting properties and meeting with public officials and private developers. As a new student, it was interesting to observe how the faculty let the advanced students ask the questions while they played instigator. By noon we were at Church Street Station and were given a guided tour and an outstanding lunch. For those who don't know, Church Street Station is an urban rehab project put together by an artful antique collector. It was built around a mid-1850's setting and contains some retail and a lot of saloons and restaurants.

(continued from p. 1)

After lunch we were off again to more mega office/hotel development and then on to a residential/golf course project. We then went back to the (Compri) for a quick change (we were in "Professional Dress") and then boarded a double decker bus for a trip back to Church Street Station for supper. What a night that was. By 12:30 a.m. the "Wisconsin Group" had taken over a good portion of the street in front of the saloons and convinced the German bands that if they couldn't play "BUD", the least they could do was play some polkas, and they did. By this time it was hard to tell who was most out of control, the students, the faculty, the alumni (some were struggling mightily to revive previous conditioning), or representatives of the development community who joined us (Brian Py was observed being supported by several students telling his wife that this was an educational experience). The bus back to the (Compri) was scheduled to leave at 1:00 a.m., sometime around 2:30 a.m. it left the parking lot with "Bud" issuing from all aboard (some who could even stand). Upon arrival at the (Compri), it was discovered that the staff was running a lottery relative to our ability to participate in the Saturday morning schedule. It really blew their minds when they discovered the bus had stopped at the 7-11 for provisions.

We were up by 6:30 for breakfast and were into development seminars by 8:00. In the morning we had alumni and others (Trammel Crow) provide a great program on development and associated problems in the southern Florida area. We then boarded a bus and headed for Disney Development. Todd Mansfield from Disney Development welcomed us and then introduced several project managers. He then turned the program over to staff presentations of development projects currently under way at Disney. We saw everything from new entertainment projects to office buildings, wild hotels (would you believe a building with two 55 foot high fish on the roof) and new cities. Boy, what a mental trip that was! There was a point where one of the project managers was presenting a shopping center currently under construction and professor Robbins began to ask some questions concerning internal circulation conflict. The young project manager was not ready for that (at one point he asked some of the students sitting in the front row "who the hell is that guy"). During this time the senior staff of Disney, Todd Mansfield and Professor Robbins were waging war in the back of the room. I was sitting in the middle of the room so I couldn't tell exactly what was going on. But all participants were standing, talking somewhat loudly and arms were flying through the air (I overheard two advanced students say something about 555 again). After or-

der was reestablished (I think Linda Robbins asked Mike to keep it quiet as Sean was asleep in a chair and snoring loudly; the kid seems to have a keen appreciation of his father's endeavors), a student asked the project manager another question about parking which I didn't understand at all, but Professor Robbins grinned from ear to ear and uttered "right on" at which time Todd Mansfield leaned over to his senior project manager and made some comment about intern quality.

We then reboarded the bus for a behind the scene tour of the new Disney developments. We were taken into the new Disney MGM studio project, Pleasure Island, Typhoon Lagoon, and several hotel projects. It was great. We ended up at Epcot where Disney had arranged for a limited attendance day which enabled us to move effortlessly through all the major attractions. We went from Space Ship Earth, to Energy, to Horizons, to the World of Motion and did not have to wait in any line. It was then off to supper along the international court and to the American pavilion for observing the laser and light show. We arrived back at the (Compri) about 11:00 and dropped into bed, dead to the world.

Sunday morning everyone got up late, ate breakfast, went swimming and got ready to leave. When we got to the airport we were told that the flight was over sold and some would be asked to stay behind. We were told that

those electing to stay behind, to get free round trip tickets, would have to stay overnight, at their own expense, and return in the morning to Madison. Several elected their creative problem solving powers and boarded another airline, flew to Dallas, Texas, caught a Northwest flight to Minneapolis and caught up with us for the original flight to Madison. I still can't quite figure out how two arrive at Point B at the same time. Maybe when I take a course in Transportation I will learn the answer.

Well it's time to quit, we are about to arrive in Madison and I have to help wake some of our gang. When we left Madison on Thursday morning I felt that I was a member of a group of interesting but unknown individuals, now I feel that I am part of a class. A class in which I not only know who my fellow students are but also view the faculty in a somewhat different light, after all if you can party and dance with them, maybe you can talk with them as well. I wonder if that isn't part of the plan?

