Urban land institute (ULI) summer courses. 1982-1988

[s.l.]: [s.n.], 1982-1988

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GRADUATE SCHOOL OF BUSINESS
c/o Prof. James Graaskamp
1155 Observatory Drive, Rm. 118
Madison, WI 53706

A Seminar for
REAL ESTATE EDUCATION TECHNIQUES FOR DESIGN, PLANNING, AND PUBLIC ADMINISTRATION CURRICULUMS

ULI
The URBAN LAND INSTITUTE
with
the GRADUATE SCHOOL of BUSINESS,
DEPARTMENT of REAL ESTATE
AND URBAN LAND ECONOMICS,
UNIVERSITY OF WISCONSIN

Monday, July 5 - Friday, July 9, 1982
LOWELL CENTER
University of Wisconsin
Madison

Sponsored and funded by:
Educational Trust Fund
ULI- the Urban Land Institute
Director of Seminar, James A. Graaskamp

Who May Participate

In selecting participants, preference will be given to faculty members of graduate and undergraduate professional programs in schools of law, business, planning, real estate, economic development, public administration, and architecture/design processes. Applicants may be initiating a real estate course or real estate curriculum in their institutions, or they may presently be teaching one or more courses in real estate and seeking more teaching materials.

Preference will be given to applicants who can demonstrate the greatest degree of interest and commitment to the early classroom use of materials and techniques provided in this course. A commitment from one's department to offer such a course in the coming academic year — in the form of a supportive letter from the department chairperson and a financial contribution to costs and travel — will be considered the most direct evidence of such interest.

If more than one person applies from one institution their applications will be considered separately, unless they identify themselves as partners in a team teaching situation.

Cost

A substantial portion of the cost of the Real Estate Education Institute will be subsidized by ULI - the Urban Land Institute. The remaining cost to each participant will be $400. It is hoped that faculty members' schools and institutions will provide support.

The participation fee includes copies of all cases and other materials, lodging, and three meals each day, Tuesday through Thursday, plus a buffet on Monday evening and breakfast and lunch on Friday. Sleeping accommodations are double-occupancy rooms with private bath. Single rooms will be reserved upon advance notice; additional cost to occupant is $10 a night.

Travel Grants

In order to encourage wide geographic representation, the Urban Land Institue will reimburse participants from the U.S. or Canada up to $.10 per mile for travel expense, minus $50.

Be sure to indicate on the application whether such a grant is **essential** for your participation. If requests exceed available funding, we must take you at your word and refuse admission to the institute if we cannot provide travel support.

Program Outline

MONDAY - JULY 5

4:00-7:00	Registration and buffet
7:00-8:30	Introduction to seminar

TUESDAY - JULY 6

8:30-10:15	Concepts of the Development Process (Prof. James A. Graaskamp)
10:15-10:30	Coffee Break
10:30-12:00	Principles course approach, materials, case study used at University of Wisconsin (Graaskamp)
12:00-1:00	Lunch
1:00-3:30	The Risk Management Concept of the Development Enterprise (Graaskamp)
3:30-6:00	Open period
6:00-7:00	Dinner
7:00-8:30	Discussion moderated by Graaskamp and Robbins

WEDNESDAY - JULY 7

8:30-10:15	Teaching Cash Flow Concepts: The basic case, problem assignment and grading
10:15-10:30	Coffee break
10:30-12:00	Laboratory — using the computer (Graaskamp)
12:00-1:00	Lunch
1:00-3:30	Market Research and Segmentation (Thomas Neujahr)
3:30-6:00	Open period
6:00-7:00	Dinner
7:00-8:30	Teaching Residential Development with ULI Materials (Prof. Robbins and T. Neujahr, J. Graaskamp as moderator)

THURSDAY - JULY 8

8:30-10:15	Pre-Architectural Programming and Life Cycle Cost Constraints for Owner-Tenant 1. The retail user, 2. The industrial user, 3. Public building occupant (Graaskamp)
10:15-10:30	Coffee Break
10:30-12:00	Basic Cash Flow Constraints
12:00-1:00	Lunch
1:00-4:30	Profit Centers for Municipalities and Private Land Development (Rahenkamp)
4:30-7:30	Bus trip to Spring Green for dinner at Frank Lloyd Wright restaurant at Taliesen
7:30-8:30	Open discussion with Rahenkamp

FRIDAY - JULY 9

8:30-10:15	Economic Determinants of Office Building Form (James Canestaro)
10:15-10:30	Coffee break
10:30-12:00	Basic Elements of Feasibility Analysis for Architects (Canestaro)
12:00-1:00	Lunch
1:00-2:00	Introduction to Financial Cost/Benefit and Sensitivity Analysis for Designers (Canestaro & Graaskamp)
2:00-4:00	Teaching Shopping Center Economics as Part of Physical Planning and Design-Concepts (Robbins and Graaskamp)
4:00-4:15	Summary and Closing Remarks

Seminar is closed to permit travel home on Friday afternoon.

Lowell Hall Center

610 Langdon Street

Lowell Center is conveniently located within walking distance of the University of Wisconsin and the Library Mall. It offers all the conveniences of a hotel, including morning wake-up service, 24-hour switchboard, check-cashing, mail delivery and maid service. Facilities include extra-length beds, private baths, free local telephone calls, carpeted floors, color television and AM/FM radio in each room. For between-session recreation, the Guest House offers an indoor swimming pool and two comfortable lounges for relaxation and social hours.

General Description

As the American real estate industry changes in response to the new economic and social orders of the 1980s and 1990s, professional schools of business, law, economics, planning, design, and government are moving to meet the challenge. Across the country, these schools are adding courses in real estate to their curricula and updating existing courses to cover the current and projected realities of real estate finance and development, uncertain capital markets, the condominium phenomenon, redevelopment and adaptive use, increasing public regulation, and the public's insistence on participating in development decisions. Many of the students crowding the classrooms are coming to the real estate field with mature experience in the related professional disciplines — law, business, public policy, and design.

Course emphasis will be on teaching the cash constraints of the real estate process and the necessary merchandising research which provides the economic dimension for land planning, the prearchitectural program, and public administration policy. Course materials will include cases and workbooks used at the University of Wisconsin. The use of the computer terminal for instruction and grading will be demonstarted and all systems will be available to students to try out during lab sessions and open periods. There will be displays of alternative text materials and instructors will discuss suitable and nonsuitable offerings among current publisher promotions.

ULI — the Urban Land Institute

The Urban Land Institute was founded in 1936 as a non-profit research and educational organization dedicated to better use and development of the land. Today, every aspect of the public and private development industry is presented among its 6,000 members and associates worldwide.

Publications and research projects of the Urban Land Institute have been noted for their credibility and impartiality. The Institute's semi-annual meetings provide a high-level forum for the pressing issues of development and land use. Through its funding arm, the Urban Land Research Foundation, the Institute is actively involved in the promotion of better land use practices within the development community.

The Graduate Real Estate Program

University of Wisconsin - School of Business

Real estate and urban land economics have a long history at the University of Wisconsin, dating from the turn of the century with John R. Commons, the 1920's with Richard T. Ely, and the spin-off in 1945 of the School of Business with a real estate program chaired by Richard U. Ratcliff. Because urban land economics and real estate were housed in a single department and maintained a close working relationship with departments of urban and regional planning, law, engineering, and agriculture, the course content and academic stature never suffered the decline to trade school status of programs taught by part-time instructors that occurred at many schools during the 50's and early 60's. The School of Business developed one of the leading graduate programs in real estate for both master's degress and Ph.D's by the late 1960's. Individual student guidance is structured consistent with the belief that real estate is a multi-disciplinary study which integrates many specialties into management of real estate enterprise.

Instructors

James A. Graaskamp, Ph.d., CRE, SREA, U.W. Chairman of Real Estate and Urban Land Economics — Double career as an academic and consultant.

John Rahenkamp, AICP, FASLA, President of John Rahenkamp & Associates, Inc., Philadelphia, PA.

James C. Canestaro, M.A., AIA — Professor of architecture, Virginia Polytechnic Institute. Educational Consultant to AIA.

Michael L. Robbins, Ph.D. in Civil and Environmental Engineering — U.W. assistant professor of real estate development and computer systems for classroom education.

Roby A. Goodwin, MS (candidate) City Planning, University of Pennsylvania, Vice President of John Rahenkamp & Associates, Inc., Phildelphia, PA.

Thomas Neujahr, M.S. in Real Estate Investment Analysis — Principal partner in Urban Land Perspectives, a nationally known real estate marketing research firm and developer of rehabilitated buildings.

Application Form

Each person applying as an individual or member of a team must submit a full application, including all four parts. Applications will be reviewed competitively, and must be received by 25 May 1982.

A. APPLICATION FORM

Name _____

Academic position or title _____

School or Department _____

University or College _____

School address _____

_____

Professional office (if applicable) _____

Office address _____

Telephone: School _____ Prof. office _____ Home _____

_____ I cannot attend without travel compensation grant.

_____ A travel compensation grant would be useful, but I can attend without it.

I am applying as _____ an individual _____ a member of a team.

Name of other team members: _____

_____

B. PLEASE ENCLOSE A CURRENT RESUME

C. APPLICATION PROPOSAL

Please use separate sheets to supply the following information. Total response should not exceed three typewritten double-spaced pages.

List:

1. Number(s) and titles of real estate courses or urban design courses now available through your department. Include both your own course(s) and those taught by others.
2. Which, if any, employ the case method or field work problems.
3. Courses you teach — indicate goals, enrollment, and the relationship of these courses to the larger curriculum.

Explain:

4. The manner in which you and your department would most likely make use of this institute.
5. Your own professional interests or goals not adequately addressed in the workshop description.

D. Include a letter from your department chairperson supporting your participation in this institute and indicating department plans, if any, to use the case material in a real estate curriculum. The chairperson should also note the department's level of financial support for your tuition and travel.

Upon notification of acceptance a check for $400, per person should be sent within 10 days payable to: **University of Wisconsin Foundation.** Full refund for written cancellation received 30 days prior to seminar.

Return to: **ULI Teaching Seminar**
U.W. Graduate School of Business
1155 Observatory Dr., Rm 118
Madison, WI 53706

(Revised Nobember 9, 1981)

SEMINAR - REAL ESTATE EDUCATION TECHNIQUES FOR DESIGN, PLANNING, AND PUBLIC ADMINISTRATION CURRICULUMS

Proposed Schedule and Outline for Seminar at Lowell Conference Center
University of Wisconsin, Madison, Wisconsin
July 5-9, 1982

DATE	TIME	EVENT
Mon., July 5	4-7 p.m.	Registration and cold buffet
	7-8:30 p.m.	Introduction to seminar
Tues., July 6	8:30-10:15	Concepts of the Development Process (Prof. James A. Graaskamp)
	10:15-10:30	Coffee break
	10:30-12	Principles course approach, materials, case study used at University of Wisconsin (Prof. Graaskamp)
	12-1	Lunch
	1-3:30	The Risk Management Concept of the Development Enterprise (James Graaskamp)
	3:30-6	Open period
	6-7	Dinner
	7-8:30	Discussion moderated by Graaskamp, and Robbins
Wed., July 7	8:30-10:15	Teaching Cash Flow Concepts: The basic case, problem assignment & grading
	10:15-10:30	Coffee break
	10:30-12	Laboratory - using the computer terminal (Graaskamp)
	12-1	Lunch
	1-3:30	Market Research and Segmentation (Thomas Neujahr)
	3:30-6	Open period
	6-7	Dinner
	7-8:30	Teaching Residential Development with ULI Materials (Prof. M. Robbins, University of Wisconsin, and T. Neujahr, J. Graaskamp as moderator)
Thurs, July 8	8:30-10:15	Pre-Architectural Programming and Life Cycle Cost Constraints for Owner-Tenant 1. The retail user 2. The industrial user 3. Public building occupant (Graaskamp)
	10:15-10:30	Coffee break
	10:30-12	Basic Principles of Cash Flow Analysis
	12-1	Lunch
	1-3:30	Profit Centers for Municipalities and Private Land Development (Rahenkamp)
	3:30-7:30	Bus trip to Spring Green for dinner at Frank Lloyd Wright restaurant at Taliesen
	7:30-8:30	Open discussion with Rahenkamp

Fri., July 9	8:30-10:15	Economic Determinants of Office Building Form (James Canestaro)
	10:15-10:30	Coffee break
	10:30-12	Basic Elements of Feasibility Analysis for Architects (Using Rehabs for examples) (Canestaro)
	12-1	Lunch
	1-2	Introduction to Financial Cost/Benefit and Sensitivity Analysis for Designers (Canestaro and Graaskamp)
	2-4	Teaching Shopping Center Economics as Part of Physical Planning and Design - Concepts Sources and Materials (Robbins & Graaskamp)
	4-4:15	Summary and Closing Remarks

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The URBAN LAND INSTITUTE
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the GRADUATE SCHOOL of BUSINESS,
DEPARTMENT of REAL ESTATE
AND URBAN LAND ECONOMICS,
UNIVERSITY OF WISCONSIN

Sunday, July 10 - Friday, July 15, 1983
J. F. FRIEDRICK CENTER
1950 Willow Drive
University of Wisconsin
Madison

Sponsored and funded by:
Educational Trust Fund
ULI- the Urban Land Institute
Director of Seminar, James A. Graaskamp

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Program Outline

SUNDAY - JULY 10

4:00-7:00	Registration and buffet
7:00-8:30	Introduction to seminar

MONDAY - JULY 11

8:30-10:15	Concepts of the Development Process (Prof. James A. Graaskamp)
10:15-10:30	Coffee Break
10:30-12:00	Principles course approach, materials, case study used at University of Wisconsin (Graaskamp)
12:00-1:00	Lunch
1:00-3:30	Basic Elements of Feasibility Analysis for Architects (Canestaro)
4:30-7:30	Bus trip to Spring Green for dinner at Frank Lloyd Wright restaurant at Taliesen
7:30-8:30	Discussion moderated by Graaskamp, Robbins and Canestaro

TUESDAY - JULY 12

8:30-10:15	Teaching Cash Flow Concepts: The Basic Case, Problem Assignment and Grading
10:15-10:30	Coffee Break
10:30-12:00	Impact zoning and planning (Goodwin and Rahenkamp)
12:00-1:00	Lunch
1:00-4:30	Profit Centers for Municipalities and Private Land Development (Rahenkamp)
4:30-6:00	Open Period
6:00-7:00	Dinner
7:00-8:30	Open discussion with Rahenkamp and Goodwin

WEDNESDAY - JULY 13

8:30-10:15	Teaching shopping center economics as a part of physical planning and design concepts (Robbins and Graaskamp)
10:15-10:30	Coffee Break
10:30-12:00	Market Research and Segmentation (Graaskamp)
12:00-1:00	Lunch
1:00-3:30	Economic Determinants of Office Building Form (James Canestaro)
3:45-5:00	Show and Tell from other schools (Moderator: Canestaro)
6:00-7:00	Dinner
7:00-8:30	History of Urban Development, ULI film series by Ed Bacon

THURSDAY - JULY 14

8:30-10:30	Computer systems for instruction and administration (Robbins and Graaskamp)
10:30-10:45	Coffee Break
10:45-12:00	Hands on lab time
12:00-1:00	Lunch
1:00-4:00	Case Studies: Berkeley School of Design (Dowell) Harvard Business School Mortgage Bankers Association
4:00-6:00	Open period
6:00-7:00	Dinner
7:00-8:30	Open discussion and comparison of school organizations

FRIDAY - JULY 15

8:30-10:30	Textbook materials, visual aids and speaker bureaus
10:45-12:00	Individual summaries of Seminar high points and applications

J. F. Friedrick Center

1950 Willow Drive

The J. F. Friedrick Center provides a pleasant learning environment on the wooded shores of Lake Mendota. The facilities provide quality hotel-style services. Each guest room is air-conditioned, private bath, telephone, AM/FM radio and color television. For between-session recreation the Center offers: a scenic lakeside path for walking or jogging, outdoor tennis courts, softball diamonds, volleyball courts, basketball courts, and campus natatorium is 100 yards away.

Course Will Provide:

Course emphasis will be on teaching the cash constraints of the real estate process and the necessary merchandising research which provides the economic dimension for land planning, the prearchitectural program, and public administration policy. Course materials will include cases and workbooks used at the University of Wisconsin. The use of the computer terminal and minicomputer for instruction and grading will be demonstrated and all systems will be available to students to try out during lab sessions and open periods. There will be displays of alternative text materials and instructors will discuss suitable and nonsuitable offerings among current publisher promotions. A lab of IBM personal computers will be in place to demonstrate teaching systems in use at various schools.

Student Should Provide:

Participants should bring examples of case material they are presently using including sample outputs of financial models or market simulations which they are presently using. Examples of student reports, video tapes, or slide visuals used in your program should be brought for show and tell during the discussion sessions. The student should expect to compare and discuss real estate aspects of their present curriculum. Students should also bring tennis rackets and swim suits as excellent facilities are available to Friedrick Center.

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Publications and research projects of the Urban Land Institute have been noted for their credibility and impartiality. The Institute's semi-annual meetings provide a high-level forum for the pressing issues of development and land use. Through its funding arm, the Urban Land Research Foundation, the Institute is actively involved in the promotion of better land use practices within the development community.

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University of Wisconsin - School of Business

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James C. Canestaro, M.A., AIA — Professor of architecture, Virginia Polytechnic Institute. Educational Consultant to AIA.

Michael L. Robbins, Ph.D. in Civil and Environmental Engineering — U.W. assistant professor of real estate development and computer systems for classroom education.

Roby A. Goodwin, M.C.P. (candidate) City Planning, University of Pennsylvania, Vice President of John Rahenkamp & Associates, Inc., Philadelphia, PA.

David Dowell, Ph.D. — Assistant Professor of City and Regional Planning, University of California, Berkeley.

415-642-2223

415-642-6000

7-10-83

ULI - Sunday Night

I. Origin of seminar - Combination architecture -

A. School of Business programs.

1. Harvard
2. Berkeley
3. MIT

B. Architects taking MBA to gain employment

C. ULI experienced that business schools produced developers and planning schools produced regulators with predisposition for conflict.

D. Public administration lacked understanding of financial constraints on urban development.

E. Universities should be base for conflict resolution by means of multi-disciplinary approaches.

F. University accounting and specialty turfs frustrate multi-disciplinary approach.

G. ULI Education Committee created by John Greifen and Bob Engstrom to bridge gap between ULI and universities.

1. Stimulate major programs at 3 or 4 schools.
2. Subsidize exchange of program materials among planning, public administration, and business schools.
3. Create appropriate study materials
4. Develop research program by creating a research endowment fund.

7-10-83

I. Format

A. Demonstration of integration of physical planning and financial planning from a business school viewpoint

B. Demonstration of integration of physical planning and financial planning from a physical planning school viewpoint.

C. Demonstration of integration of physical and financial planning from a professional practice viewpoint.

D Daily topics and schedules are designed to initiate flow and full exchange of ideas rather than a strict lecture format.

1. Had intended a social outing for Monday night but Taliesin and Theatre available only on Wednesday.
2. Therefore, will move some material forward from Wednesday
3. We'll leave Wed. at 2:45 for Spring Green
4. We will transport you to Business school for Computer demonstration on ____.

II. How familiar is group with UI publication stuff?

A. Bulk discounts

B. Series - technical reports, textbooks, DCS series, project review file, and advisory panel series.

C. Guest speakers (Nice)

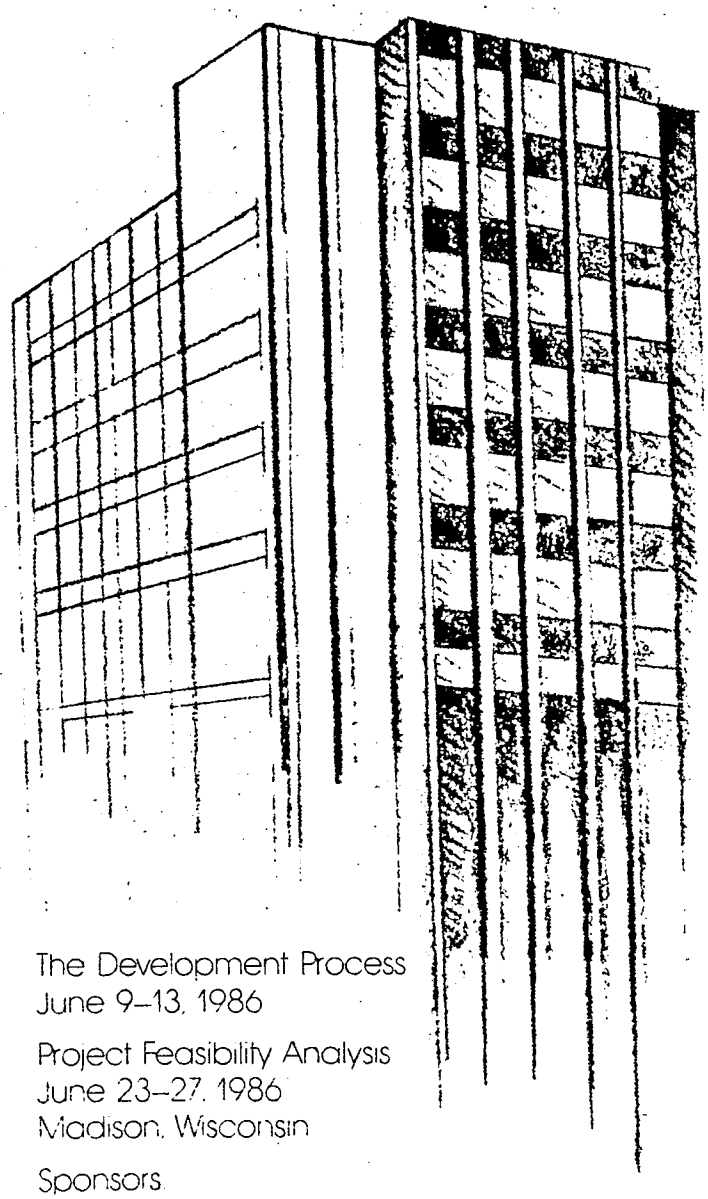
IV. Medicon-

A. Let us know your needs

1. Tennis
2. Indoor swimming
3. Jogging trails
4. Shore walk to Union - State Street - Saloons
5. Cash bar
6. Jim Kane, Mike Robbins, Jim Canestaro

V. Monday Morning, 8:30 a.m.

ULI REAL ESTATE DEVELOPMENT SCHOOL



The Development Process
June 9–13, 1986

Project Feasibility Analysis
June 23–27, 1986
Madison, Wisconsin

Sponsors
ULI–the Urban Land Institute
University of Wisconsin, School of Business,
Real Estate and Urban Land
Economics Department

the Urban Land Institute
1090 Vermont Avenue, N.W.
Washington, D.C. 20005

The Urban Land Institute Real Estate Development School offers intensive short courses on various elements of the development process. Now, for the first time, it is offering two five-day courses, to be cosponsored by the Real Estate and Urban Land Economics Department of the School of Business at the University of Wisconsin in Madison. Both courses are geared toward new professionals, those reentering the field, and individuals involved in real estate development but trained in other disciplines.

"The Development Process" examines the various aspects of developing residential, commercial, and industrial projects, including the land use decision, financial analysis planning and structures, site analysis and physical planning, marketing and market analysis, political and legal issues, lease structures, office building design, and construction management. Attendance is limited to 50 people.

The second course, "Project Feasibility Analysis," covers basic concepts for financial modeling—forecasting, use of the spread sheet, and sensitivity analysis. Market research and its application are examined. The use of the computer is emphasized throughout the course. Attendance is limited to 30 people.

Each course provides an opportunity to learn from experts on the faculty the essentials of real estate development. Full course outlines are provided below. As attendance is limited, early registration is recommended.

ULI—THE URBAN LAND INSTITUTE

ULI–the Urban Land Institute is an independent, nonprofit educational and research organization dedicated to improving the quality of standards for land use planning and development.

Since its formation in 1936, ULI has worked continuously, through the identification and interpretation of current trends in land use, to formulate a system of important guidelines for members of the development community. Its publications and activities have consistently fostered innovation and constructive change in the development field. As a result, ULI maintains a reputation as one of the foremost sources of objective information on land use planning and development.

The Institute relies heavily on the experience of its members and associates. Its membership includes 10,208 individuals worldwide, many of whom are prominent leaders in the land use community. All those in the land use and development communities have the opportunity to participate in and benefit professionally from the goals and achievements of the Urban Land Institute.

UNIVERSITY OF WISCONSIN, SCHOOL OF BUSINESS, REAL ESTATE AND URBAN LAND ECONOMICS DEPARTMENT

The University of Wisconsin's School of Business has a long tradition of teaching and research in real estate and urban land economics. It was the first such school in the United States to offer a multidisciplinary graduate program leading to a master of science degree in real estate investment analysis. Its program focuses on how to define real estate problems, how to integrate physical planning with financial and market planning, and how to fit real estate project development to both private and public goals. The process and the methods are the same for the developer, the banker, or the public planner. The intensive courses developed by the University of Wisconsin for the ULI Real Estate Development schools are distilled from the Wisconsin graduate program in real estate.

PROGRAM PLANNERS

James A. Graaskamp, Chairman, Real Estate and Urban Land Economics, University of Wisconsin, Madison, Wisconsin

Rachelle L. Levitt, Director, Education Programs, ULI–the Urban Land Institute, Washington, D.C.

ULI EDUCATION PROGRAM

ULI's education program, of which the real estate school is a part, is a multifaceted endeavor, designed to improve the level of expertise of preprofessional and professional land use and development practitioners. Guided by the ULI Education Committee, which is composed of leading members of the land use and development field, ULI's program offers the professional development seminar series, furnishes academic assistance for the improvement and development of real estate curricula, and provides other continuing education.

TUITION

Tuition includes admission to the course, luncheons, reception, and course materials. Registration must be accompanied by payment in full, or by an organization's purchase order.

The Development Process
ULI Member: $900
Nonmember: $950

Project Feasibility Analysis
ULI Member: $900
Nonmember: $1,000
Computer Lab Fee: $100

REGISTRATION AND CANCELLATION POLICIES

All mail and telephone registrations must be received in the ULI office by Monday, June 2, 1986, for "The Development Process"; and by Monday, June 16, 1986, for "Project Feasibility Analysis." Cancellations, which must be made in writing to ULI, will be subject to a $50 administrative fee. No refunds may be made after Monday, June 2, 1986, for "The Development Process"; and after June 16, 1986, for "Project Feasibility Analysis." You may, however, transfer your registration, without penalty, to another member of your organization.

For further information and to check on available space, call the ULI office at (202) 289-3320.

FACULTY

THE DEVELOPMENT PROCESS

RONALD J. BARBIERI
Principal
Torrey Urban Research Institute
Rancho Santa Fe, California

JAMES A. GRAASKAMP
Chairman, Real Estate and Urban Land Economics Department
School of Business
University of Wisconsin
Madison, Wisconsin

JOHN J. GRIFFIN
Partner
Rackemann, Sawyer & Brewster
Boston, Massachusetts

DOWELL MYERS
Assistant Professor, Land Economics
University of Wisconsin
Madison, Wisconsin

JOHN RAHENKAMP Bob Gray & Mike LoFurno from Rahenkamp + Assoc
President
John Rahenkamp & Associates
Philadelphia, Pennsylvania

PROJECT FEASIBILITY ANALYSIS

JAMES C. CANESTARO
Adjunct Associate Professor
Virginia Polytechnic and State University
Blacksburg, Virginia

JAMES A. GRAASKAMP
Chairman, Real Estate and Urban Land Economics Department
University of Wisconsin
Madison, Wisconsin

ENUD MOUCHLY
Principal
Koten, Reagan, Mouchly
Los Angeles, California

MICHAEL L. ROBBINS
Assistant Professor of Real Estate
University of Wisconsin
Madison, Wisconsin

MICHAEL YOUNG
President
Shlaes & Young
Chicago, Illinois

THE DEVELOPMENT PROCESS

Monday, June 9

8:30 a.m. — Introduction to Real Estate Development
Graaskamp
- Viewpoints of the private and public sectors
- The private/public development partnership
- Balancing who benefits with who pays

9:30 a.m. — Land Use Decisions: An Exercise in Social Ethics
- Environmental conservation
- Equitable allocation of entitlements of the benefits of land
- Financial success versus fiscal equity
- Cost efficiency versus political sensitivity
- The quiet revolution

10:30 a.m. — Development as an Exercise in Problem Solving
- Recognition and definition of problems
- Understanding the decision maker
- Understanding decision-making techniques
- Modeling the decision-making process
- Planning, feasibility analysis, and problem solving compared
- Elements of the real estate problem and decision

11:00 a.m. — Rudiments of Financial Analysis
- Pro forma operating budgets—rental properties
- Cash flow budgets—rental properties
- Pro forma development budgets—subdivisions
- Cash flow budget models—subdivisions
- Financial risk management concepts

12:00 noon — Luncheon

1:00 p.m. — Site Analysis and Physical Planning for Residential Development
Gray + DeFuniak
- Inventory of site attributes
- Definition of optimal infrastructure
- Selection of a flexible design
- Definition of alternative layouts

3:30–5:00 p.m. — Design Densities and Residential Floor Plans

5:00 p.m. — Dinner on your own

7:00 p.m. — Films on the history of urban development
ULI Videos

Tuesday, June 10

8:30 a.m. — Financial Planning and Fiscal Budgets to Optimize Land Use Mix
Gray + DeFuniak
- Residential density and developer profitability, school board solvency, municipal service costs, and environmental loads.

10:00 a.m. — Marketing the Residential Development and Financing the Consumer

10:45 a.m. — Financing the Developer
- Contracts for the purchaser
- Methods for financing infrastructure and administrative costs
- Critical assumptions in a financing strategy

12:30 noon — Luncheon

1:30 p.m. — The Political Process Controlling Land Use and Platting
Griffin

3:15–5:00 p.m. — Negotiation of the Private/Public Development

Evening — Open

Wednesday, June 11

8:30 a.m. — Basic Elements in the Industrial/Commercial Development Project
- The lease structure
- The capital structure
- The facilty program

9:00 a.m. — The Office Lease
- The parties
- Space and services
- Conditions to initiate lease
- Conditions to terminate lease
- Formulas for rent and service charges
- Conditions to anticipate lender requirements

10:45 a.m. — Office and Industrial Leases Compared

12:00 noon — Luncheon

1:00 p.m. — Physical Variables and Choices in Office Building Design
- Foundation structure
- Vertical and horizontal circulation systems
- Floor and ceiling requirements
- HVAC systems
- Life safety systems
- Telecommunications
- Exterior and interior wall design
- Pedestrian/vehicle site systems

2:15 p.m. — Construction Management Process for an Office Building
- Preconstruction and design input
- General conditions of bid documents
- The role of drawings, specifications, and the general contractor's agreement
- On-site construction management of basic structure
- Construction management of tenant improvements
- Legal pitfalls and developer/contractor/tenant relationships

4:15–5:00 p.m. — Market Segmentation for Merchandising Office Buildings

5:00 p.m. — Dinner on your own

7:00 p.m. — Review of Visual Marketing Program for Office Space

Thursday, June 12

8:30 a.m. — Basic Financial Structures for Commercial/Retail Projects
- Alternative methods of commercial financing
- Conventional mortgages
- Joint ventures
- Limited partnerships
- Public/private finance consortiums
- Other group investment formats

10:30 a.m. — Three Case Study Examples of Financial Structure and Development Evolution
- Office building
- Retail project
- Mixed-use development

12:00 noon — Luncheon

1:00 p.m. — Rudiments of Market Analysis
- Scaling the market
- Profiling the market
- Programming the politics
- Motivating the consumer

2:00 p.m. — Application of Market Research to Shopping Center Development

3:30–5:00 p.m. — Slide Lecture on Shopping Center Case Study

Evening — Open

Friday, June 13

8:30 a.m. — Development through Renovation
- Selection of structures
- Pitfalls in restoration
- Subsidies available
- Economic analysis
- A renovation case study

10:30 a.m.	Summation: The Development Process • Current areas of weakness in the system • Future areas of opportunity • The literature of development—a suggested reading list
12:00 noon	Adjournment

PROJECT FEASIBILITY ANALYSIS

Monday, June 23	
8:30 a.m.	Overview of Project Feasibility Analysis • Strategic viewpoints • Feasibility format • Market research • Financial analysis components and applications • Feasibility analysis as a form of financial risk management
10:30 a.m.	Basic Concepts for Financial Modeling • Basic back door concepts • Key ratios in the static model • Key financial ratios in the dynamic model • Before tax/after tax elements
12:00 noon	Luncheon
1:00 p.m.	Formatting Basic Components of Rental Property Model • The revenue forecast • Operating expense classification • Capital outlay scheduling • Mortage loan modeling • Planning venture capital receipts and outlays
3:30–5:00 p.m.	Case Studies Discussion of two case studies: discounted cash flow of an industrial office park project; and a spread sheet model of a housing project for the elderly, with tax-exempt bond financing
Evening	On your own
Tuesday, June 24	
8:30 a.m.	Alternative Forms of Sensitivity Analysis • Financial structure • Physical envelope • Efficiency of elevator component • Efficiency of energy systems • Time delays in project life cycle • Case study presentation: bank building rehabilitation in a small town
10:30 a.m.	Use of Lease as a Tracking System • Alternative commercial system • Compatibility of spread sheet models • Interfacing model
12:00 noon	Luncheon
1:00 p.m.	Introduction to Market Data • The content of demographic statistics • Public and private services available • Application of demographics for market segmentation and scaling • Example of industrial properties marketing • Example of shopping center location analysis
3:30–5:00 p.m.	Merchandising Research—Primary Survey Research • A spread sheet example of market research and assumptions required for setting project carry costs in capital budget • Relationship of market risk to project finance risk

5:00 p.m.	Dinner on your own.
Wednesday, June 25	
8:30 a.m.	Computer Lab Hands-on use of basic feasibility financial models
10:30 a.m.	Computer Lab Hands-on demonstration of advanced cash flow model
12:00 noon	Luncheon
1:00–3:15 p.m.	Computer Lab Hands-on of market data and statistical packages for market survey research data
7:00–10:00 p.m.	Computer lab open for student experimentation and demonstration
Thursday, June 26	
8:30 a.m.	Computer Lab An integrated model for development and management of a commercial project
10:30 a.m.	~~Computer Lab~~ A project feasibility model demonstrates important issues in the use of a lease role tracking system and interfacing property management reporting systems
12:00 noon	Luncheon
1:00 p.m.	Computer Analysis of Site Planning Factors
3:30–5:00 p.m.	Computer Analysis of Building Design Elements
5:00 p.m.	Dinner on your own
7:00–9:00 p.m.	Computer Lab Open for Student Analysis of Case Problems

Friday, June 26	
8:30 a.m.	Sources of Financial Standards for Costs, Operating Budgets, and Investment Performance by Property Type • Capital cost and operating budget sources evaluated • General literature on market and financial feasibility • Professional support groups and seminars
10:30 a.m.	Market Critiques and Financial Feasibility Studies Available
12:00 noon	Adjournment

Jim Strahorn
Acquisitions - Progressive
Analysis & Graphic Presentation

- Mike Young

REGISTRATION

Indicate your course selection(s):

☐ The Development Process, June 9–13, 1986
☐ Project Feasibility Analysis, June 23–27, 1986

NOTE: You are encouraged to register as early as possible by phoning in a credit card number (American Express, MasterCard, or VISA), or by mailing your check to ULI. Tuition includes admission to the five-day course, the luncheons, and the course materials.

Please print clearly or type the information requested below. For multiple registrations, duplicate this form.

Name _____
Title _____
Company _____
Address _____
City _____ State _____ Zip _____
Telephone ( ) _____

The Development Process	**Project Feasibility Analysis**
☐ *ULI Member: $900	☐ ULI Member: $1,000**
ULI ID Number _____	ULI ID Number _____
☐ Nonmember: $950	☐ Nonmember: $1,100**

*Members include designated individuals of corporate memberships, as well as individual and associate members.

**Includes $100 computer lab fee.

Please make check payable to ULI–the Urban Land Institute and send with this registration form to:

ULI Real Estate Development School
ULI–the Urban Land Institute
1090 Vermont Avenue, N.W.
Washington, D.C. 20005

HOTEL RESERVATIONS

THE DEVELOPMENT PROCESS

Please send this form directly to:

The Inn Towner
2424 University Avenue
Madison, Wisconsin 53705
(608) 233-8778
Attn: Reservations

NOTE: By forwarding this form to ULI, you will delay your hotel reservations.

The Inn Towner has reserved rooms for registrants until Thursday, May 8, 1986.

I will attend the ULI Real Estate Development School course, "The Development Process," June 9–13, 1986.

- ☐ Singles: $38
- ☐ Doubles: $46

Arrival date _____ Time _____
Departure date _____ Time _____

Name _____
Title _____
Company _____
Address _____
City _____ State _____ Zip _____
Telephone ( ) _____

Your room will be held until 6:00 p.m. on the date of your arrival unless you provide a guarantee to cover your later arrival.

Please guarantee my room for arrival after _____ p.m.

To guarantee a room, please enclose a check for one night's lodging or indicate your credit card account number and other data below:

Account number _____
Credit card _____
Expiration date _____

HOTEL RESERVATIONS

PROJECT FEASIBILITY ANALYSIS

Please send this form directly to:

The Madison Inn
601 Langdon Street
Madison, Wisconsin 53703
(608) 257-4391
Attn: Reservations

NOTE: By forwarding this form to ULI, you will delay your hotel reservations.

The Madison Inn has reserved rooms for registrants until Thursday, May 23, 1986.

I will attend the ULI Real Estate Development School course, "Project Feasibility Analysis," June 23–27, 1986.

☐ Singles: $40
☐ Doubles: $48

Arrival date _____ Time _____
Departure date _____ Time _____

Name _____
Title _____
Company _____
Address _____
City _____ State _____ Zip _____
Telephone ( ) _____

Your room will be held until 5:00 p.m. on the date of your arrival unless you provide a guarantee to cover your later arrival.

Please guarantee my room for arrival after _____ p.m.

To guarantee a room, please enclose a check for $20 or indicate your credit card account number and other data below:

Account number _____
Credit card _____
Expiration date _____

The School of Business
University of Wisconsin-Madison

Graduate School of Business
1155 Observatory Drive
Madison, WI 53706
608/262-0391

May 16, 1986

Rachelle Levitt
The Urban Land Institute
1090 Vermont Avenue, N.W.
Washington, D.C. 20005

Dear Rachelle:

I have listed below the titles of the Urban Land Institute Development Component Series (DCS) needed for the first session of the ULI Real Estate School in Madison on June 9 - 13, 1986.

Please send 65 copies of each so that we can provide them to each participant, as well as to all speakers.

1 - Graaskamp, J., "Fundamentals of Real Estate Development"

2 - Witherspoon, Robert, " Codevelopment: City Rebuilding by Business & Government"

3 - Stout, Gary & Joseph Vitt, "Public Incentives & Financing Techniques for Codevelopment"

4 - Chow??, "Understanding Cities"

5 - Gruen, Gruen & Smith, "Demographic Changes & Their Effect on Real Estate Markets in the 1980's"

6 - Also, please send 65 brochures for ULI publications

Thank you.

Sincerely,

Susan Thomas

Susan Thomas

cc: Prof. J. Graaskamp

ULI REAL ESTATE DEVELOPMENT SCHOOL

"THE DEVELOPMENT PROCESS"

June 9 - 13, 1986
The Inntowner Hotel - Madison, WI

OUTLINE OF COURSE MATERIALS
BY SPEAKER & SESSION

Note! Each section in the binders is followed by a colored tab. These tab colors are the key to locating the session materials outlined below:

JUNE 9

Morning RED - James A. Graaskamp/Introduction

1. Introduction & Organization
2. Property Evaluation & Investment Analysis, The Shidler Group
3. Office Park Development Planning & Design Process
4. Chapter 4 - Analyzing the Feasibility of a Small City Office Rehab Project
5. Long Range Cash Flow Planning: A Total Systems Approach, Norman G. Miller
6. The Real Estate Process, James A. Graaskamp
7. Here's A New System for Figuring Project Feasibility
8. Fundamentals of Real Estate Development, James A. Graaskamp (front flap)
9. Codevelopment: City Rebuilding by Business & Government, Robert Witherspoon (front flap)
10. Public Incentives & Financing Techniques for Codevelopment, Gary E. Stout and Joseph E. Vitt (front flap)
11. Passing the Buck, Builder magazine (handed out in sessn)

Afternoon CLEAR - Mike LoFurno & Bob Gray/Site Analysis & Physical Planning for Residential Development

1. Design Management diagram
2. Martin Farm - Development Feasibility Analysis, John Rahenkamp & Associates

JUNE 10

Morning BLUE - Mike LoFurno & Bob Gray/Financial Planning & Fiscal Budgets to Optimize Land Use Mix

1. Linville Orchards Financial Analysis Letter
2. Windrush Cash Flow Analysis
3. Pelican Cove Condominium Project

OUTLINE OF COURSE MATERIALS

JUNE 9 — YELLOW - To Accompany ULI Videos

Evening — 1. Understanding Cities, David Clow

JUNE 10 (cont.)

Afternoon — GREEN - John Griffin/The Political Process Controlling Land Use & Negotiation of the Private/Public Development

1. Development Agreement
2. AIA Standard Form of Agreement Between Owner & Contractor
3. AIA General Conditions of the Contract for Construction
4. Point West Place - Work Letter, Standard Form

JUNE 11

Morning — CLEAR - John Griffin/Industrial-Commercial Development Project & The Office Lease

1. Income Property Management Agreement
2. Commercial Lease Law Insider, November 1985

Afternoon — BLUE - Ronald Barbieri/Office Building Design & The Construction Management Process

1. Forecasting Office Space Demand In Urban Areas, Hugh F. Kelly
2. Form Versus Function, Antony Harbour

** Materials below will be handed out in the session **

3. Market Study: San Diego County
4. The Winds of Downtown, Jim Dawson
5. Manual on Fires & Construction
6. An Introduction to the Design Analysis of Office Buildings, James C. Canestaro
7. Types of Construction Contracts
8. Construction Management Versus Conventional Contracting
9. Construction Scheduling
10. Future Impacts of Telecommunication Upon Real Estate & Urban Development, Anthony Downs

OUTLINE OF COURSE MATERIALS

JUNE 12

Afternoon YELLOW - Dowell Myers/Market Analysis

1. Demographic Changes and Their Effects on Real Estate Markets in the 1980s, Nina Gruen, Claude Gruen, Wallace F. Smith (back flap)
2. Demometrics, National Planning Data Corporation
3. Construction Forecasting: The Delphi Approach, Albert F. Eger & J. Graham Smith

JUNE 13

Morning GREEN - James A. Graaskamp/Renovation Development & Course Summation

1. Quantifying Uncertainty in Investment Analysis, K.B. Cady, C.S. Pettygrove, and D.K. Westby
2. Shopping Center Study Lease, International Council of Shopping Centers
3. Strategic Planning in Development Firms, Richard A. Hardy

MISCELLANEOUS

Back Section:

1. Development Trends 1986, Urban Land Institute
2. ULI 1985 Publications Catalog
3. National Association of Home Builders, NAHB Bookstore, Winter/Spring 1986 Publications Catalog
4. American Planning Association, Planners Bookstore-Publicaitons List

Exhibit 1

URBAN LAND INSTITUTE NATIONAL REAL ESTATE SCHOOL

Proposed Course Outline

THE DEVELOPMENT PROCESS

MORNING--FIRST DAY (GRAASKAMP)

8:30-9:30 A. Introduction to Real Estate Development

1. The private enterprise viewpoint
2. The public enterprise viewpoint
3. The private/public development partnership
4. Balancing who benefits and who pays

9:30-10:15 B. Land Use Decisions: An Exercise in Social Ethics

1. Environmental conservation
2. Equitable allocation of entitlements to the benefits of land
3. Financial success vs. fiscal equity
4. Cost efficiency vs. political sensitivity
5. The quiet revolution

10:15-10:30 COFFEE BREAK

10:30-11:00 C. Development as an Exercise in Problem Solving

1. Recognition and definition of problems
2. Understanding the decision-maker
3. Understanding decision-making techniques
4. Modeling the decision process
5. Planning, feasibility analysis, and problem solving compared
6. Elements of any real estate problem and decision

11:00-12:00 D. Rudiments of Financial Analysis

1. Pro forma operating budgets--rental properties
2. Cash flow budgets--rental properties
3. Pro forma development budgets-- subdivisions
4. Cash flow budget models--subdivisions
5. Financial risk management concepts

12:00-1:00 LUNCH BREAK

AFTERNOON--FIRST DAY (RAHENKAMP)

1:00-3:15 E. Site Analysis and Physical Planning for Residential Development

1. Inventory of site attributes
2. Definition of optimal infrastructure
3. Selection of a flexible design
4. Definition of alternative layouts

3:15- COKE BREAK
3:30

3:30- F. Design Densities and Residential Floor Plans
5:00

EVENING--FIRST DAY

7:00- G. Film--"History of Urban Development"
8:30

1. Selected items from the Bacon Series
2. Selected items from ULI 50th Anniversary Series

MORNING--SECOND DAY (RAHENKAMP)

8:30- A. Financial Planning and Fiscal Budgets to Optimize Land Use Mix
10:00

1. Residential density and developer profitability
2. Residential density and School Board solvency
3. Residential density and municipal service costs
4. Residential density and environmental loads

10:00- B. Marketing the Residential Development and Financing the Consumer
10:30

10:30- COFFEE BREAK
10:45

10:45- C. Financing the Developer
12:30

1. Contracts for the purchaser
2. Methods for financing infrastructure
3. Methods for financing administrative costs
4. Critical assumptions in land development financing strategy

12:30- LUNCH BREAK
1:30

AFTERNOON--SECOND DAY (GRIFFIN)

1:30- D. The Political Process Controlling Land Use and Platting
3:00

3:00- COKE BREAK
3:15

3:15- Negotiation of the Private/Public Development
5:00

EVENING--SECOND DAY

Open

MORNING--THIRD DAY (GRIFFIN)

8:30-9:00 A. Basic Elements in the Industrial/Commercial Development Project

1. The lease structure
2. The capital structure
3. The facility program

9:00-10:30 B. The Office Lease

1. The parties
2. Space and services
3. Conditions to initiate lease
4. Conditions to terminate
5. Formulas for rent and service charges
6. Conditions to anticipate lender requirements

10:30-10:45 COFFEE BREAK

10:45-12:00 C. Office and Industrial Leases Compared

12:00-1:00 LUNCH BREAK

AFTERNOON--THIRD DAY (BARBIERI)

1:00-3:00 D. Physical Variables and Choices in Office Building Design

1. Foundation systems
2. Structural systems
3. Vertical circulation systems
4. Horizontal circulation systems
5. Floor systems
6. Ceiling systems
7. HVAC systems
8. Life safety systems
9. Telecommunication systems
10. Exterior wall systems
11. Interior wall systems
12. Pedestrian/vehicle site systems

3:00-3:15 COKE BREAK

3:15-4:15 E. Construction Management Process for an Office Building

1. Pre-construction and design input
2. General conditions of bid documents
3. The role of drawings, specifications, and general contractor's agreement
4. On-site construction management of basic structure
5. Construction management of tenant improvements
6. Legal pitfalls and developer/contractor/tenant relationships

4:15-5:00 F. Market Segmentation for Merchandising Office Buildings

EVENING--THIRD DAY (GRAASKAMP)

7:00-8:30 Review of Visual Marketing Program for Office Space
(Video tape and slide presentations selected from ULI developers)

MORNING--FOURTH DAY (GRAASKAMP)

8:30-10:15 A. Basic Financial Structures for Commercial/Retail Projects

1. Alternative methods of commercial finance
2. Conventional mortgages
3. Participating and convertible mortgages
4. Joint venture
5. Limited partnerships
6. Public/private finance consortiums
7. Other group investment formats

10:15-10:30 COFFEE BREAK

10:30-12:00 B. Three Case Study Examples of Financial Structure and Development Evolution

1. Office building--land lease, UDAG parking, and two-tiered financing
2. Retail project with tenant financing, participation loan, and public/private venture
3. Mixed use project with credit enhanced tax exempt financing for shallow housing subsidy and tax incremental financing kicker from integrated office development

12:00-1:00 LUNCH BREAK

AFTERNOON--FOURTH DAY (MYERS)

1:00-3:15 C. Rudiments of Market Analysis

1. Scaling the market--demographics
2. Profiling the markets--segmentation by value system
3. Programming the politics--power structure survey
4. Motivating the consumer--research of non-verbal communicators and promotion media

D. Market Research for the Shopping Center

1. Scaling the market--demographics
2. Profiling the market by lifestyle
3. Programming the project to enhance frequency of visit and average expenditure per visit

3:15- COKE BREAK
3:30

3:30- E. Slide Lecture on Shopping Center Case Study
5:00

EVENING--FOURTH DAY

Open

MORNING--FIFTH DAY (GRAASKAMP)

8:30- A. The Renovation and Remodeling Approach to Development
10:15

1. Selection of structures suitable for renovation
2. Pitfalls in the romantic notion of restoration
3. Subsidies to advance public priorities for saving old buildings
4. Economic analysis for renovation decisions
5. A renovation case study

10:15- COFFEE BREAK
10:30

10:30- B. The Development Process:
12:00

1. Building a social terrarium with private enterprise
2. Current areas of weakness in the system
3. Future areas of opportunity
4. The literature of development--a suggested reading list

12:00- LUNCH
1:00

The Development Process

June 9 - 13, 1986
The Inntowner Hotel

A Note About Meeting Rooms, Catered Meals...

1) All meetings will be held in the Chadbourne Center room at the Inntowner, including the ULI videos on Monday evening.

2) A continental breakfast of coffee, juice and pastries will be provided in meeting rooms each morning. Coffee breaks will be held each morning and each afternoon.

3) All lunches will be located in the Van Hise A room at the Inntowner hotel.

4) Dinners are on your own.

5) A list of recommended restaurants:

* The Ovens of Brittany - there are 3:
  - Shorewood on University Avenue
  - on Monroe Street
  - on State Street
* Kosta's (Greek) on State Street, near the Capitol
* Porta Bella on N. Frances (Italian)
* Paisan's at University Square (Italian)
* Here's an authentic Wisconsin delight, it's new but probably worth a try---Capital Brewery & Beer Gardens in Middleton, they claim authentic German meals and fresh German beer
* Quivey's Grove on Nesbitt Road
* The Fess on East Doty

* Ask Jim Graaskamp, our local expert on Madison dining

The School of Business
University of Wisconsin-Madison

Graduate School of Business
1155 Observatory Drive
Madison, WI 53706
608/262-0391

June 16, 1986

Alexis P. Victors, President
Upland Industries Corporation
Blackstone Centre
302 South 36th Street
Omaha, NE 68131

Dear Alex,

We have completed the first run of the Introductory Course to Real Estate Development for ULI. It went very well, and we had an unusually mature and committed group of fifty-eight participants. Apparently there were so many people left on the waiting list that we will be able to run this same program again July 27 - August 1. All of the same faculty have consented to play the same roles.

We will edit each presentation based on what we learned the first time, primarily shortening the Rahenkamp presentation and expanding basic financial analysis. We will also reduce the amount of materials in the handbook, a set of which is enclosed.

For your benefit, we have enclosed copies of the student evaluation sheets. Identical sets of these sheets have been sent to Rachelle Levitt and the principal instructors.

In general, the students liked the executive classroom and the hotel rooms. Lunches were unimaginative, and we will have an all new light salad menu buffet for the next program. Some students regretted that they were not closer to the student bar district. The Feasibility Seminar will be right in the middle of the student district; we will see how they like that decibel rating!

A major source of irritation was the casual administration in the Washington ULI Office which made it difficult for the students to get confirmation instructions as to where to go or a friendly response to various questions. (There was g-od communication between the Wisconsin campus and ULI). The fact that students were expected to make their own hotel reservations was also confusing. Either Washington has to become more efficient or the University Continuing Education Departments should take on the responsibility of registration in whatever locality a course is held.

The Washington office also failed to provide a roster by employment and address so we substituted a set of business cards but not everyone was included. We will have a subsequent mailing once we are able to reconstruct a detailed roster.

Upland was well represented by several talented folks.

The best news is I believe we will be making money on the first summer series.

JAG/dlv

Best regards,

James A. Graaskamp
Chairman

Mr. Victors - 6/16/86

I will be sending copies of the evaluation forms, along with the binder materials in the next few days.

Susan Thomas
for
Prof. Graaskamp

EXHIBIT 2

URBAN LAND INSTITUTE NATIONAL REAL ESTATE SCHOOL

Proposed Course Outline

PROJECT FEASIBILITY ANALYSIS: WITH AUGMENTATION OF DATA ANALYSIS WITH PC COMPUTER

MORNING - FIRST DAY - June 23, *1986*

8:30-10:15 A. An Overview of Project Feasibility Analysis (Graaskamp)

1. Strategic viewpoints for the development firm
2. Market research plus financial analysis equals feasibility format
3. Market research includes market data, merchandising data, political profile, and media for marketing communication
4. Financial analysis includes conversion of product design to pro forma capital structures, operating budgets and investment analysis
5. Site in search of a market which provides investment return
6. A market with investment potential in search of a site
7. Investment dollars in search of acceptable market and site risks
8. Feasibility analysis as a form of financial risk management

10:15-10:30 COFFEE BREAK

10:20-12:00 B. Basic Concepts for Financial Modeling (Graaskamp)

1. Basic back door concepts driving from revenues to justified capital budgets
2. Key ratios in the static model
3. Key financial ratios in the dynamic model
4. Before tax/after tax elements

12:00-1:00 LUNCH

AFTERNOON - FIRST DAY

1:00-3:15 C. Formatting Basic Components of Rental Property Model (Mouchly)

1. The revenue forecast format
2. Operating expense classification and format
3. Capital outlay scheduling and format
4. Mortgage loan modeling
5. Venture capital receipts and outlays planning

3:15-3:30 COKE BREAK

3:30-5:00 D. Case Study #1, Discounted Cash Flow of an Industrial Office Park Project (Mouchly)

E. Case Study #2, Spread Sheet Model of an Elderly Housing Project with Tax Exempt Housing Bond Financing (Mouchly)

MORNING - SECOND DAY - JUNE 24

8:30-10:15 A. Alternative Forms of Sensitivity Analysis (Mouchly)

1. Financial structure
2. Physical envelope
3. Efficiency of elevator component
4. Efficiency of energy systems
5. Time delays in project life cycle
6. Case Study #3, Bank Building Rehabilitation in A Small Town (Graaskamp & Mouchly)

10:15-10:30 COFFEE BREAK

10:30-12:00 B. Important Issues in the Use of Lease Role Tracking System

1. Alternative commercial system
2. Compatibility of spread sheet models
3. Interfacing model

12:00-1:00 LUNCH BREAK

AFTERNOON - SECOND DAY

1:00-3:15 A. Introduction to Market Data (Myers)

1. The content of demographic statistics
2. Public services available
3. Private services available
4. Application of demographics for market segmentation and scaling
5. Industrial properties marketing example
6. Shipping center location analysis example

3:15-3:30 COFFEE BREAK

3:30-5:00 B. Merchandising Research - Primary Survey Research (Myers)

1. Residential market studies by consumer survey
2. Residential market communication market reserach
3. Political market research
4. The VALS system for sementation by life style

C. Market Research and Assumptions Required for Setting Project Carry Costs in Capital Budget - A Spread Sheet Example (Graaskamp)

D. Relationship of Market Risk to Project Finance Risk (Graaskamp)

MORNING - THIRD DAY - JUNE 25

8:30-10:15 A. Computer Lab - Hands-On Use of Basic Feasibility Financial Models (Robbins)

10:15-10:30 COFFEE BREAK

10:30-12:00 B. Computer Lab - Hands-On Demonstration of Advanced Cash Flow Development Model (Canestaro)

12:00-1:00 LUNCH

AFTERNOON - THRID DAY

1:00-3:15 C. Computer Lab - Hands-On Use of Market Data and Statistical Packages for Market Survey Research Data (Myers)

EVENING - THIRD DAY

7:00-10:00 D. Computer Lab Open for Student Experimentation, Demonstration, and Show and Tell (Robbins and TAs)

MORNING - FOURTH DAY - June 26

8:30-10:15 A. Computer Lab - An Integrated Model for Development and Management of a Commercial Project (Young)

10:15-10:30 COFFEE BREAK

10:30-12:00 B. Computer Lab - Important Issues in the Use of Lease Role Tracking System (Robbings, Mouchly, or Young)

1. Alternative commercial system
2. Compatibility of spread sheet models
3. Interfacing model

C. Computer Lab - Interfacing Property Management Reporting Systems with Project Feasibility Model

12:00-1:00 LUNCH

AFTERNOON - FOURTH DAY

1:00-3:15 D. Computer Analysis of Site Planning Factors (Robbins)

3:15-3:30 COKE BREAK

3:30-5:00 E. Computer Analysis of Building Design Elements

EVENING - FOURTH DAY

7:00-9:00 E. Computer Lab Open for Student Analysis of Case Problems (Canestaro)

MORNING - FIFTH DAY

8:30-10:15 A. Sources of Financial Standard for Costs, Operating Budgets, and Investment Performance by Property Type (Canestaro)

1. Capital cost and operating budget sources evaluated
2. General literature on market and financial feasibility
3. Professional support groups and seminars

10:15-10:30 COFFEE BREAK

10:30-12:00 B. Critiquing the Market and Financial Feasibility Study of Others (Graaskamp)

1. R 41 (b) and fiduciary responsibility for objective market and financial feasibility analysis
2. Basic tests for reasonableness of projections and assumptions
3. Critiquing some actual reports

SEMINAR CLOSED AFTER LUNCH

ULI REAL ESTATE DEVELOPMENT SCHOOL

"THE DEVELOPMENT PROCESS"

July 28 - August 1, 1986
The Inntowner Hotel - Madison, WI

PROGRAM OUTLINE

JULY 28

8:30 am	Introduction to Real Estate Development - James A. Graaskamp, University of Wisconsin
9:30 am	Land Use Decisions: An Exercise in Social Ethics - Graaskamp
10:30 am	Development as an Exercise in Problem Solving - Graaskamp
11:00 am	Rudiments of Financial Analysis - Graaskamp
12 noon	LUNCH
1:00 pm	Basic Financial Structures for Commercial/Retail Projects - Graaskamp
3:00 pm	Three Case Study Examples of Financial Structure and Development Evolution - Graaskamp
5:00 pm	DINNER ON YOUR OWN
7:00 pm	Videos on the History of Urban Development

JULY 29

8:30 am	Market Assessment Creigh Rahenkamp & Mike LoFurno, John Rahenkamp & Associates
9:00 am	Regulatory Risk Assessment Rahenkamp & LoFurno
9:30 am	Environment Assessment & Site Planning Rahenkamp & LoFurno
10:30 am	Turning Assessments Into Strategy Direction & Plans Rahenkamp & LoFurno
11:00 am	Case Studies
12:30 pm	LUNCH

PROGRAM OUTLINE

JULY 29 (Cont.)

1:30 pm	The Political Process Controlling Land Use & Platting - John J. Griffin, Rackemann, Sawyer & Brewster
2:30 pm	Basic Elements in the Industrial/Commercial Development Project - Griffin
5:00 pm	FREE EVENING

JULY 30

8:30 am	The Office Lease - Griffin
10:00 am	Office & Retail Leases Compared - Griffin
12 noon	LUNCH
1:00 pm	Market Segmentation for Merchandising Office Buildings - Ronald J. Barbieri, Torrey Urban Research Institute
5:00 pm	FREE EVENING

JULY 31

8:30 am	Physical Variables and Choices in Office Building Design - Barbieri
10:00 am	Construction Management Process for an Office Building - Barbieri
12 noon	LUNCH
1:00 pm	Rudiments of Market Analysis Dowell Myers, University of Wisconsin
2:00 pm	Application of Market Research to Shopping Center Development - Myers

PROGRAM OUTLINE

JULY 31 (Cont.)

3:30 pm	Slide Lecture on Shopping Center Case Study - Graaskamp
5:00 pm	FREE EVENING

AUGUST 1

8:30 am	Development Through Renovation: The Horton Plaza Case - San Diego, CA - Graaskamp
10:30 am	Summation: The Development Process - Graaskamp
12 noon	ADJOURNMENT

ULI REAL ESTATE DEVELOPMENT SCHOOL

"THE DEVELOPMENT PROCESS"

July 28 - August 1, 1986
The Inntowner Hotel - Madison, WI

OUTLINE OF COURSE MATERIALS
BY SPEAKER & SESSION

Note! Each section in the binders follows a colored tab. These tab colors are the key to locating the session materials outlined below:

JULY 28

Entire Day RED - James A. Graaskamp/Introduction

1. The Real Estate Process
2. Fundamentals of Real Estate Development (front flap)
3. Property Evaluation & Investment Analysis
4. Chapter 4 - Analyzing the Feasibility of a Small City Office Rehab Project
5. Here's a New System for Figuring Project Feasibility
6. Introduction and Organization
7. Types of Joint Ventures
8. Component Capitalization
9. Quantifying Uncertainty in Investment Analysis
10. Long Range Cash Flow Planning: A Total Systems Approach
11. Strategic Planning in Development Firms
12. The Mundy Insider
13. Copley Advisor's Investment Risks and Rewards
14. Summary of the Tax Overhaul Bill
15. Codevelopment: City Rebuilding by Business & Government (front flap)
16. Public Incentives & Financing Techniques for Codevelopment (front flap)
17. Real Estate Planning
18. Fixed-Rate Mortgages
19. Memorandum to the Board of Directors

Evening BLUE - To Accompany ULI Videos

1. Understanding Cities

JULY 29

Morning CLEAR - Mike LoFurno & Creigh Rahenkamp/Market, Regulatory Risk & Environment Assessment & Site Planning

1. Windrush Cash Flow Analysis
2. Other case study materials to be handed out during the session

OUTLINE OF COURSE MATERIALS

JULY 29 & JULY 30

Afternoon Morning

ORANGE - John Griffin/The Political Process Controlling Land Use/Basic Elements of the Industrial-Commercial Development Project/The Office Lease/Office and Retail Leases Compared

1. AIA Sample Contracts and Forms between the Owner and Architect and the Owner and Contractor
2. Point West Place
3. Development Agreement
4. Income Property Management Agreement
5. Commercial Lease Law Insider (11/85)
6. Analysis of the Market & The Individual Lease
7. Shopping Center Study Lease (Intl. Council of Shopping Centers)

JULY 30

Afternoon YELLOW - Ronald Barbieri/Market Segmentation for Merchandising Office Buildings

1. Forecasting Office Space Demand in Urban Areas
2. Market Study: San Diego County - Inventory Analysis
3. Budget Estimate Summary, 15-Story Office Tower
4. Preliminary Construction Budget for the G.A. Base Operations
5. Types of Construction Contracts
6. Construction Management vs. Conventional Contracting
7. Construction Scheduling

JULY 31

Morning GREEN - Ronald Barbieri/Physical Variables and Choices in Office Building Design/Construction Management Process for an Office Building

1. Form Vs. Function
2. The Winds of Downtown
3. Canestaro Construction Manual
4. Introduction to Design Analysis of Office Buildings
5. Telecommunications Impacts
6. AT&T Brochure

OUTLINE OF COURSE MATERIALS

JULY 31

Afternoon PINK - Dowell Myers/Market Analysis

1. Identification and Delineation of Real Estate Market Research
2. Networked Forecasting
3. How To Read a Demographic Report
4. Market Studies for Real Estate Projects
5. Basic Research Procedures
6. Consumer Expenditure Survey
7. Demometrics
8. Demographic Changes and Their Effects on Real Estate Markets in the 1980's (back flap)

AUGUST 1

Morning GOLD - Graaskamp/Renovation Development & Course Summation

1. The Horton Plaza Case Study (To be handed out in class)
2. Third Annual Review of Software

MISCELLANEOUS

Front Flap:

1. Listing of Local Eateries
2. Listing of Publications and Order Forms

Back Flap:

1. City of Madison map
2. U of Wisconsin Real Estate program brochure
3. ULI 1985 Publications Catalog
4. Development Trends 1986
5. National Association of Home Builders, NAHB Bookstore
6. American Planning Association, Planners Bookstore-Publications List

July 24, 1986

Susan Thomas
4716 Verona Road
Madison, WI 53711-0010

Dear Susan:

Just to make sure Michael and I are on target, I've enclosed our working outline at this point. If there is a problem please let us know ASAP. I will be out of the office tomorrow (settling on a house) but I will be able to refine our presentation on Saturday if you leave a message.

I will arrive late Sunday evening so that I will be able to sit in on Professor Grasskamp's presentation, ensuring a smooth transition. In addition, if you are running a "spreadsheet clinic" Monday night I would be happy to make myself available.

Cordially,

Creigh Rahenkamp
Public Policy & Planning Group

John Rahenkamp and Associates, Inc.
John Rahenkamp Consultants, Inc.
Planners/Land Planners/Landscape Architects

Philadelphia
Stetson House
1717 Spring Garden Street
Philadelphia, Pennsylvania 19130
215/568-7545

Tampa
Suite 1400
201 East Kennedy Blvd.
Tampa, Florida 33602
813/221-2773

Denver
Rahenkamp/Oldham, Inc.
255 Washington Street
Denver, Colorado 80203
303/744-7003

I. INTRODUCTION (10 minutes)

A. Who and What We Are

B. Our Purpose Within the ULI Seminar

1. Intellectual Framework for Managing the Development Process.

a. Evaluating the Pieces

1) Market Analysis
2) Regulatory Risk Assessment
3) Natural and Physical Environment

b. Fusing the Information Through Financial Modelling

2. Particularly Emphasize the Role of Site Analysis and Planning Within this Framework. Other Speakers Will Focus in Detail on:

a. Market Analysis (Professor Grasskamp and Dowell Myers)
b. Political Process (John Griffin)
c. Spreadsheet Mechanics (Professor Grasskamp)

II. The Individual Pieces

A. Market Assessment (20 minutes)

1. Methodological Approaches

a. Quantitative
b. Qualitative

2. Strategy Results of the Market Assessment

a. Price
b. Pace
c. Use Type (typical clusters)
d. "Character" - Psychographics.

B. Regulatory Risk Assessment (30 minutes)

1. Evaluation of Regulatory Environment

a. Municipal/County Approval Process

1). Position Of Application in Relation to Current Controls

a). By right
b). Within municipal experience
c). Within regional experience
d). Novel proposals

2). Character of the Community

a). Historical Evolution
b). Attitude Toward Litigation
c). Local Demographics Related to Project Demographics

b. State Agencies (Vertical Bureaucracies)

1). Environmental Constraints
2). Infrastructure Provision
3). Enabling Legislation and State Constitutions

c. Federal

1). Constitutional Protections (Discrimination/Taking/Antitrust)
2). Vertical Bureaucracies (Toxic Wastes/Environmental Constraints)

2. Evaluation of Project Impact on Local Systems

a. Municipal Fiscal Balance
b. School System Impact
c. Political/Social

1) Viewsheds
2) Voter Profile
3). Local Demographics Related to Project Demographics

d. Physical/Infrastructure - Developer represents the most flexible source of municipal revenue (nonbudget expenditures devoid of intergovernmental review).

3. Strategy Related Results of the Regulatory Assessment

a. Application Preparation and Process Costs per "Use Type"
b. Timing Delay Expected per "Use Type" Application
c. Probability of Successfully Attaining Approval per Use Type

C. Environment Assessment & Site Planning (60 Minutes)

1. Assessment (Ramapo Used as Example)

a. Physical
b. Environmental
c. Cultural

2. Synthesis

a. Use to Use
b. Use to Site
c. Use to Neighbors
d. Use in Relation to "Character"

3. Strategy Results

a. Yield per Use Type
b. "Character" Impact
c. Phasing Constraints

1). Lumpiness of Sections
2). Infrastructure Stages

III. Turning Assessments (constraint identification) into Strategy Direction & Plans. (30 minutes)

A. The Fusion Process

1. Highlight Interrelationships Between Assessments

a). "Character"
b). Approvability
c). Yield

2. Evaluate Choices

a). Financial Analysis as the common language for bringing diverse constraints together.
b). Discuss a Typical Cash Flow Model & Identify the Inputs Taken from Each Area.

3. Monitoring the Process

a). Continued modelling throughout the process properly grounds negotiations.
b). Presentation Strategies.

B. Case Studies (90 minutes)

The Development Process

July 28 - August, 1986
The Inntowner Hotel

A Note About Meeting Rooms, Catered Meals...

1) All meetings will be held in the Chadbourne Center room at the Inntowner, including the ULI videos on Monday evening.

2) A continental breakfast of coffee, juice, and pastries will be provided in meeting rooms each morning. Coffee breaks will be held each morning and each afternoon.

3) All lunches will be located in the Van Hise A room at the Inntowner.

4) Dinners are on your own.

We've included a list of Madison "Eateries" in the front flap of your binder. You can also ask local dining expert, Jim Graaskamp, for suggestions.

URBAN LAND INSTITUTE

NATIONAL SCHOOL FOR REAL ESTATE DEVELOPMENT
OUTLINE AND TIME TABLE

Course II - - Real Estate Development Analysis
With Microcomputers

SUNDAY AFTERNOON 3 - 6 p.m. (Anikeeff, Graaskamp, Robbins, and teaching assistant)

I. Introduction

A. Faculty

B. Students

C. Materials

II. Comments on National School for Real Estate Development

A. Origins

B. Future curriculum plans

C. Philosophy of blending academic structure and ULI member experience

D. Arrangements to protect proprietary programs used in the course

1. Specify software included in tuition of course
2. Specify protected software

E. Objectives of the course in terms of take home tools, analytical concepts, preparation to anticipate the future

F. The development process is implementation of physical plans which reflect design solutions to information processing problems

III. Course will assume the student has the following skill level but will review IBM-PC operational procedures Sunday afternoon:

A. Basic equipment description of capacity and options in the lab

B. DOS level of understanding

Boot system
FORMAT disk
COPY files
Assign drives
Load Languages
LIST directory of disk files

C. Language level

1. BASIC
   Start BASIC
   Load program file
   Run program
   List program
   Save program
   Return to DOS

2. Lotus 123
   Start 123
   Load spreadsheet
   Run spreadsheet
   Move within spreadsheet
   Exit spreadsheet and return to DOS

MONDAY MORNING

I. Definition of key alternative perspectives to building development problems

A. Three basic problems (Graaskamp - lecture)

1. Site and improvements in search of a market (front door approach)
2. Use in search of a specific site and structure elements (back door approach)
3. Investment in search of real estate as an earning repository of funds (portfolio approach)

B. Moving from space envelope to capital budget to required rental structure (students use MOD-1 of Canestaro Refine program) (Robbins - lab)

C. Moving from effective demand options to rent available for controlling land and buildings to justified total capital investment (Graaskamp - lecture)

D. Student use of MR. GIB applied to Canestaro program output (Robbins - lab)

II. Real estate development financial simulation models require:

A. Basic elements of financial model (Graaskamp - lecture)

1. A time line for the forecast
2. A perspective as to which profit centers are to be capitalized
3. A revenue generating model over time
4. An outlay generating model over time
5. A capital financing model
6. A real estate tax and federal income tax model
7. Ratio analysis to indicate type and scale of risk
8. Alternative measures of profitability relative to risk

B. The decision process (Graaskamp - lecture)

1. Simulation of alternative courses of action and alternative outcomes
2. Ranking of alternative outcomes for desirability
3. Ranking of alternative outcomes for uncertainty
4. Systematically selecting a course of action based on a matrix of desirability/uncertainty

C. Demonstration of financial modeling and the decision process using ATV (Robbins - lab)

1. Basic imputs and assumptions
2. Opportunities to derive inputs from ATV from subsidiary spreadsheet model
3. Defining goals for use of computer output
4. Hands-on utilization of ATV
5. Critiquing content of output and format

MONDAY AFTERNOON

I. Shifting emphasis to analysis rather than simulation (Graaskamp - lecture)

A. Ratio analysis

B. Graphic analysis

C. Sensitivity analysis

D. Density modeling

E. Response mathematics to measure cumulative sensitivities

II. The need to provide financial simulations which reflect risk management control of project (Graaskamp - lecture)

A. Allocation of investment value to alternative assumptions sets

B. Selection of pivotal risk management cushions

1. Solvency ratios
2. Equity reserves and debt reserves
3. Control of time variance--CPM
4. Control of budget variance--PERT
5. Satisfying risk ratios before improving profit ratio

III. Hands-on operating of MR. CAP (Robbins - lab)

A. Use of case study preloaded on MR CAP for ratio analysis

B. Testing consequences of purchase price vs. retail price

C. Testing consequences of early completion vs. delayed completion

D. Testing consequences of alternative sequences for funding deficits from earnings, sinking funds, capital funds, and working capital

IV. Conclude afternoon with a comparison of model formats, assumptions, analytical content, and simplicity of communication

MONDAY NIGHT (Robbins and teaching assistants)

Computer lab open from 7 - 9:30 p.m.

TUESDAY MORNING (Robbins - lab)

I. Introduction to spreadsheet thinking and implementation

A. Historical development of spreadsheet procedures and programs (Ellwood and simple mortgage interest, new program)

B. Lotus 1,2,3

1. Stand alone spreadsheets
2. Information synthesis spreadsheets to generate data for other models
3. Spreadsheets as tabular information display

C. Introduction to the basics (mortgage amortization program)

D. Solving a basic Lotus 1,2,3 problem

II. Developing a lease abstracting model using 1,2,3

A. Development of a lease roll model with Lotus 1,2,3 to fit MR CAP of ATV or VALTEST

TUESDAY AFTERNOON (Robbins - lab)

I. Compare student 1,2,3 models with those prepared for MR CAP or ATV

A. Have student utilize a commercial template which presume ATV

B. Introduce students to a land development project

TUESDAY NIGHT (Lab open from 7 - 9:30 p.m.)

WEDNESDAY MORNING (Robbins - lab)

I. Definition of key marketing and merchandising objectives

A. Defining four types of market analysis

B. Disaggregation of aggregate data for profile of targeting real estate consumer

C. Graphic analysis of market opportunity areas in terms of absorption rate, primary trade area, or other demographic attributes

II. Giving students opportunity to use CACI statistical data or population data

III. Data to support revenue assumptions

A. Market scale and absorption

1. Customer profiling
Secondary data sources

CACI (Atlas map and mapedit)

2. Primary data sources

(Need survey research form, respondent data entered file, and opportunity for statistical cross-tabs using 1,2,3)

B. Commercial property tenant role data base

1. 1,2,3 presentation
2. Interfacing with existing financial model

WEDNESDAY AFTERNOON

I. Project management using HARVARD TOTAL PROJECT MANAGER II

A. CPM, PERT, and allocations defined

B. Resource leveling

C. Presentation quality report

WEDNESDAY NIGHT -- OPEN

THURSDAY MORNING

I. Graphic presentation of site data (RESMOD, air photo digitized example)

II. Demonstration of site plan layout, density, and pace of development

III. New methods of large scale data input from digitized maps

THURSDAY AFTERNOON

I. Land development modeling (Ehud Mouchly)

A. The Rahenkamp prototype

B. Ehud Mouchly - land model template

C. Community planning model

II. Architectural CAD models as a data base for facilities management (Doug Stoker)

A. Examples from Skidmore, Owens & Merrill

B. Hands-on use with graphic package

THURSDAY NIGHT -- OPEN

FRIDAY MORNING (Have left this open in case you want more time for Harvard Project Manager or statistical data analysis)

URBAN LAND INSTITUTE

NATIONAL SCHOOL FOR REAL ESTATE DEVELOPMENT
OUTLINE AND TIME TABLE

Course will assume following skill level:

DOS Level of Understanding

Boot System
FORMAT Disk
COPY Files
Assign Drives
Load Languages
LIST Directory of disk files

Language Level

1. BASIC
   Start BASIC
   Load program file
   Run program
   List program
   Save Program
   Return to DOS

2. Lotus 123
   Start 123
   Load Spreadsheet
   Run Spreadsheet
   Move within Spreadsheet
   Exit Spreadsheet and return to DOS

Possible Texts:

1. Canestaro, James. Real Estate Financial Feasibility Analysis HANDBOOK. Chicago, Ill.: American Institute of Real Estate Appraisers, 1982.

2. Residential Development Handbook. Washington D.C.: Urban Land Institute, 1977.

3. Shopping Center Development Handbook. Washington D.C.: Urban Land Institute, 1977.

4. Graaskamp, James A., Fundamentals Of Real Estate Development. Washington D.C.: Urban Land Institute, 1980.

5. Cost Effective Site Planning. Washington D.C.: National Association of Home Builders, 1986.

6. Kaminsky, Jacob, How To Evaluate Development Proposals In Your Community.

BASIC FINANCIAL ANALYSIS

I. Components of Cash Flow Analysis

A. Revenue and Expense

Fixed Income
Variable Income
Vacancy and Bad Debt
Fixed Expense
Variable Expense
Real Estate taxes

B. Capital Cost Allocation

Land
Improvements

C. Debt Structuring

1. Principal Amount

Loan-to-value
Loan-to-cost

2. Repayment Schedule

Interest Only
Constant Payment
Participation
Balloon

3. Repayment Structure (Refinancing)

Loan-to-value
Default Ratio

D. Equity Structuring

1. Single Owner

2. Multiple Owners

Partnerships
Corporations
Pension Funds
Investment Trusts

II. Structure of Cash Flow Analysis

A. Project Analysis

1. Static FrontDoor/BackDoor

Loan-to-value Basis
Debt Cover Ratio Basis
Default Ratio Basis

2. Dynamic (Time Adjusted) FD/BD

Debt Amortization Value
Shifting Resale Price Value
Shifting Revenue Value

3. Minimum Yield Before Tax

Start-up Cost Accounting
Annual Cap Rate Stabilization

B. Equity Analysis

1. Techniques for Value Determination

Present Value
Net Present Value
Internal Rate of Return
Modified Internal Rate of Return
Financial Management Rate of Return

2. Type of Yield

Before Tax
After Tax
Without Sale
With Sale

III. Data To Support Cash Flow Components

A. Revenue and Expense

1. Customer Profiling

Secondary Data Sources

CACI (Atlas Map and MapEdit)

Primary Data Sources

(Need survey with conclusion)

2. Commercial Property Analysis

   Lease Analysis
   Tenant Analysis
   Property Analysis

3. Multi-Family Property Analysis

   Income categories
   Expense categories

4. Residential Property Analysis (Single Family)

   Income categories
   Expense Categories

5. Land Development Analysis (Raw Land Conversion)

   Income categories
   Expense categories

B. Capital Cost

   Commercial Cost Analysis

      Marshal and Swift
      COMERMOD

   Residential Cost Analysis

      RESID

C. Project Management Techniques

   Harvard Total Project Manager II

KOTIN, REGAN & MOUCHLY, Inc.
Real Estate Consultants

11611 San Vicente Boulevard
Suite 700
Los Angeles, California 90049
213/820-0900

MEMORANDUM

TO: Michael A. Anikeeff

COPIES: Professor James A. Graaskamp
Professor Michael L. Robbins

FROM: Ehud G. Mouchly

SUBJECT: ULI Development School: Computer Applications

DATE: May 18, 1987

Enclosed are sample models for inclusion in the workbook.

These models will be part of our presentation and discussion on Thursday, June 18 and June 19. Mike Robbins will be forwarding a revised outline to you later this week.

If you have any questions, please let me know.

enclosures - NOT INCLUDED ON CD-FOLLOWING PAGE CURRENTLY BEING USED BY EHUD MOUCHLY IN SEMINARS AND IS DATED 5/30/97

EGM:ds

Back to Basics:

The Three Reasons for a Real Estate Project

- **Site in Search of a Use**
  - To maximize land value
- **Use in Search of a Site:**
  - To maximize profit and minimize risk
- **Capital in Search of Return and Profit**

(Prof. James Graaskamp)

Real Estate Development Analysis with Microcomputers

STUDENT'S MANUAL

ULI
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INTRODUCTION

This Student's Manual was designed specifically for the Urban Land Institute's (ULI) course, "Real Estate Development Analysis with Microcomputers." It has two primary purposes:

- To supplement and illustrate the lectures and labs.
- To support review after the course is completed.

The manual strictly follows the course outline, so you can follow the material section by section. The four parts roughly correspond to the first four days of the course:

1. General introduction to development analysis.
2. Introduction to spreadsheets and other models.
3. Market analysis and project management.
4. Site analysis and land development modeling.

Each page of the manual contains a "Notes" section, so you can take course notes directly on the page relating to the material being taught.

Much of this course is a "hands-on" computer laboratory. In addition to the text in this manual, you will receive disks containing many of the programs to be discussed in the class, sample problems, and other data. You will find these disks in "pockets" in the appropriate section of the manual. During the labs, the instructors will give you more information on the disk's contents and how to use them.

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PART 1: PRINCIPLES OF REAL ESTATE DEVELOPMENT ANALYSIS

INTRODUCTION

The basic theme of this course, Real Estate Development Analysis with Microcomputers, is risk management.

Definition

> Risk is the degree of error between assumptions about the future (changes in economy, values, personal and social habits, etc.) and what actually happens.

For example, when a developer approves a project based on the prediction that the property will sell for a given amount, he or she is taking the risk that upon completion the property will sell for less than that amount because of a variety of factors:

- Changes in market conditions.
- Changes in the economy.
- Overbuilding of that type of property.
- Social/political events, such as changes in property tax rates.

NOTES

A key element of risk is time. It is much easier to predict what will happen tomorrow than what will happen next year, so a long-term project is inherently more risky than a short- term (all other things being equal).

Because the element of risk cannot be eliminated, a primary objective in a negotiation is to shift as much of the risk as possible to another party through the risk management techniques listed on the following page.

NOTES

- Improving Forecasts, primarily through the statistical software packages demonstrated in this course.

- Combining Risks by pooling resources, diversifying investments, and improving forecasting through scale of operations.

- Shifting Risks by Insurance Contract to insure against major losses by fire, collapse, etc.

- Shifting the Risk by Two-party Contract. For example, the developer and contractor share the burden of rising materials costs.

- Limiting Liability for Losses through the Form of Ownership, such as forming a corporation to limit the developer's personal liability.

- Hedging, which covers a wide range of contractual contingencies to protect one of the parties. For example, a development agreement may be contingent upon the availability of a mortgage at a specified interest rate upon completion.

NOTES

The last five items are contractual, negotiated approaches to reducing the risk accepted by one or more of the parties in a venture. In and of themselves, however, they do not define or measure the risk in a given project. Only the first item --improving forecasts--meets this objective.

The party in a negotiation who has developed a detailed, reliable forecast of the risks involved in the project will be able to negotiate much more effectively (e.g., shift the risk to the other parties) than one who has not identified the risks.

The key to risk management, therefore, is to obtain and use information to increase the reliability of one's predictions; statistical analysis is the primary technique used to gain such information.

FEASIBILITY ANALYSIS

Definition

> A feasibility analysis is a formal study by a real estate consultant, developer, consumer, and/or public agency to predict the most likely economic result of a given transaction.

This course will describe the major types of analyses.

NOTES

The end result of an analysis will be in one or a combination of seven forms, depending on who requests the study, who performs it, and the study's purpose:

- Strategy Study: Selection of objectives, tactics, and decision criteria.
- Market Study: Review of the economic base or other related data.
- Merchandising Studies: Consumer surveys, competitive property analysis, marketability evaluation, etc.
- Legal Studies: Opinions on potential legal constraints, model contract or form of organization, and political briefs.
- Physical Design Studies: Engineering, land planning, and architectural studies.
- Compatibility Studies: An analysis of the project's impact on community planning, environmental quality, fiscal solvency, or other public policies.
- Financial Studies: Economic modeling, capital budgets, present value and discounted cash flow forecasts, rate of return analysis, financial packages.

The remainder of Part 1 will address the application of feasibility analysis to real estate development, and demonstrate some of the currently available tools developers and consultants can use to perform feasibility analyses.

NOTES

I. PERSPECTIVES OF BUILDING DEVELOPMENT PROBLEMS

A. Three Approaches to Feasibility Analysis

1. Front Door Approach (see figure on following page):

Purpose: Determining the best use for a given site.

Procedure: Calculate cost of development, then determine the type of use that would provide the greatest income level ("most fitting use"). Determine whether this income level would justify the cost of development. Major Variables:

- Physical Profile
- Building Structure and Orientation
- Budget and Financing Alternatives
- Workable Alternative Uses
- Consumer Profiles, Price Range, etc.
- Alternative Use Scenarios
- Preliminary Environmental, Political, and Fiscal Constraints.

Analysis of these items leads to the "financially solvent most fitting use," from which the analyst can predict the expected cash flow.

NOTES

2. **Back Door Approach** (see figure on following page):

Purpose: Finding the best available site for a given business venture.

Procedure: First determine the market value of the proposed property, then analyze construction costs to determine if the project will be profitable.

Major Variables:

- Determination of acceptable physical sites
- Linkages to markets, employees, supplies, etc.
- Anticipated customer/buyer resistance
- Anticipated revenues

NOTES

3. **Portfolio Approach** (see figure on following page):

Purpose: Finding the most promising investment (based on risk vs. return) for available funds.

Procedure: Based on the investor profile (objectives, requirements, legal constraints, tax law considerations, management approach, etc.), analyze development opportunities to determine which most closely meets the investor's objectives.

Major Variables:

- Legal Constraints (zoning, tax code, etc.)
- Form of Ownership
- Property Type
- Property Productivity Phase

This and other information is subjected to a solvency test that determines the likely after-tax cash flow and appreciation.

NOTES

B. Capital Budgeting

In this lab, students will set up and solve a capital budgeting problem through the following steps:

1. Define the "space envelope" (e.g., develop specifications for the project: size and number of buildings, nature and extent of site improvements, construction quality, etc.).

2. Estimate the cost of construction.

3. Determine the necessary income to ensure that the value per square foot will at least equal the cost per square foot.

This is an example of the Front Door Approach to marketing.

NOTES

C. Market Analysis

This lecture addresses the Back Door Approach to analysis: determining the expected income for given type of use by analyzing what the market is currently paying for comparable space. The sales (income) figure is derived from three variables:

- Size of market area
- Sales potential per block
- Capture rate per block

After these variables have been estimated, the developer adjusts the marketing strategy accordingly. For example:

- If the capture rate is too low, concentrate on competitive strategies to gain a larger share of the market
- If sales potential is too low, little can be done.
- If the area is too small, seek broader penetration.

In most cases, a combination of these and other strategies is most effective.

NOTES

THE REAL ESTATE PROCESS

James Graaskamp

Used as part of ULI presentations
National School for Real Estate Development

FIRST MODULE

THE NEW URBAN LAND ECONOMICS

Presented By

Professor James A. Graaskamp, Ph.D., CRE, SREA
University of Wisconsin School of Business

FIRST HOUR

I. BASIC CONCEPTS AND DEFINITIONS

A. Real estate is a tangible product - defined as artificially delineated space with a fourth dimension of time referenced to a fixed point on the face of the earth.

1. Real estate is a space-time unit, room per night, apartment per month, square foot per year, tennis court hours, or a condominium for two weeks in January at a ski slope.

2. To the space-time abstraction can be added special attributes to house and contribute some form of activity. Contribution is efficiency, security, comfort, or well-being.

3. Improvements from survey market to city layouts to structures define space.

4. Legal contracts and precedents define time.

5. Rights of use are defined by public values, court opinions.

6. Private rights to use are those which remain after the public has exercised its rights to control, to tax, or to condemn.

B. A real estate project is a cash cycle business enterprise which combines a space-time product with certain types of management services to meet the needs of a specific user. It is the process of converting space-time needs to money-time dimensions in a cash economy.

1. An enterprise is an organized undertaking whose form and behavior at any point in time is a concensus or synthesis of forces outside the enterprise attempting to determine its form and behavior and focus within the organization which can affect form, behavior, and sustaining energy over time.

2. A real estate business is any business which provides expertise necessary to relate space-time need to money-time requirements and includes architects, brokers, city planners, mortgage bankers, and all other special skills.

3. The true profit centers in real estate are in the delivery of services and cash capital.

4. Equity ownership is the degree to which one enterprise controls or diverts cash from another real estate enterprise.

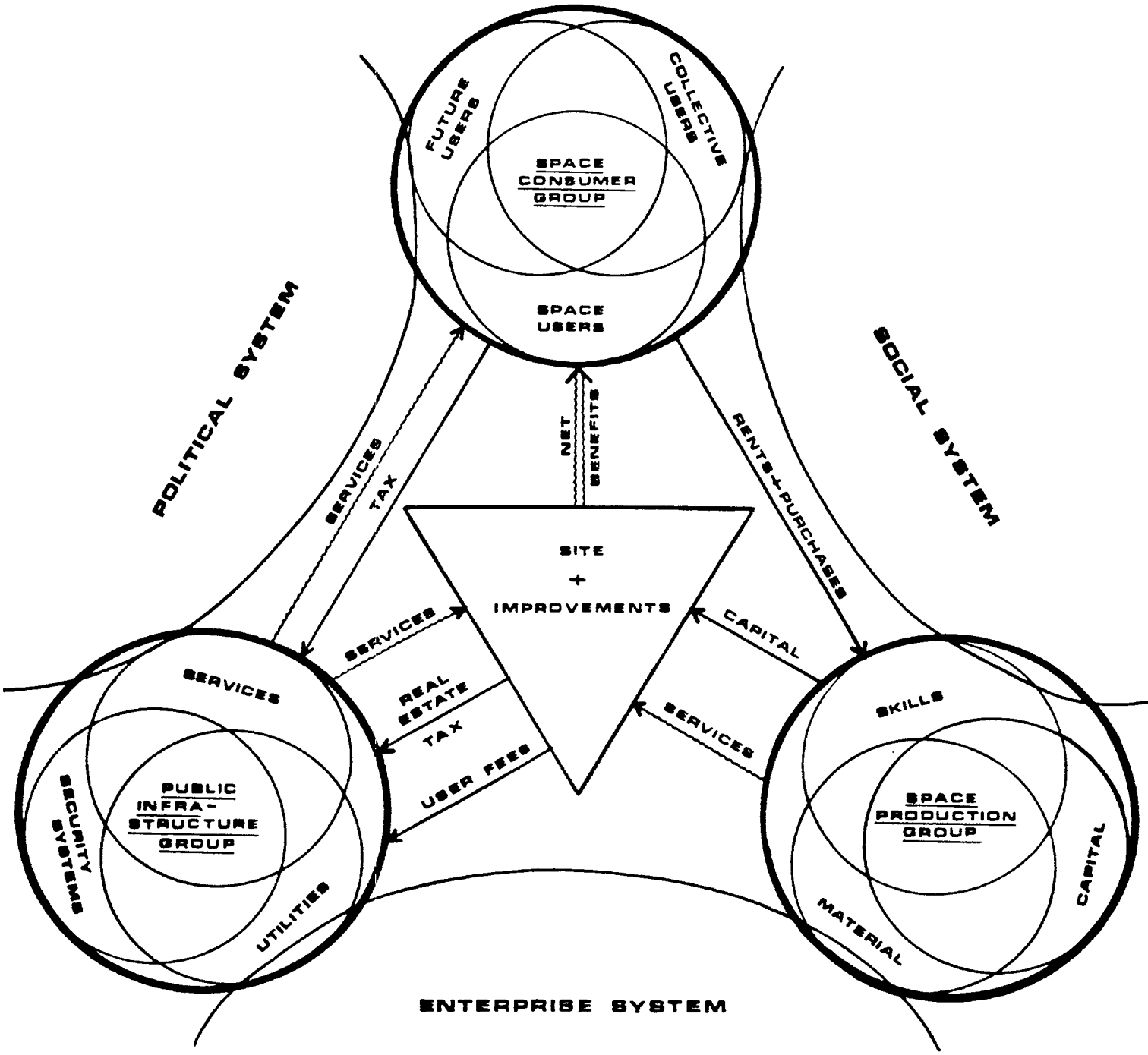
5. Public ownership exists to the degree real estate taxes, user fees, and other charges take a percentage of gross revenue in excess of service cost.

6. A consumer must view space as one part of a total consumption system involving direct cost, surface cost, transportation cost and negative income of risk.

C. The real estate process is the dynamic interaction of three groups, space users (consumers), space producers, and the various public agencies (infrastructures) which provide services and capital to support the consumer needs. (See Exhibit 1.)

   1. Each of these three decision groups represent an enterprise, an organized undertaking. All are cash cycle enterprises constrained by a need for cash solvency, both short and long term.

EXHIBIT 1



THE REAL ESTATE PROCESS

2. A desirable real estate solution occurs when the process permits maximum satisfaction to the consumer at a price that he can afford within the environmental limits of land while permitting the consumer, producer, and the government cash cycle to achieve solvency - cash breakeven at a minimum, after full payment for services rendered.

3. Solvency of the total process, not value, is the critical issue.

4. Land is an environmental constraint and not a profit cener.

5. Land provides access to a real estate business opportunity and is not the opportunity itself. Real estate business wants to control land to create a captive market for services.

D. The consumer group requires three levels of marketing sensitivity.

1. The collective consumer operating through the political process must be convinced that it should provide permits, zoning, or other approvals which franchise project.

2. The individual consumer who rents or buys must be convinced he will improve the activity housed in terms of convenience, efficiency, security, and well-being at a periodic cash cost which is affordable.

3. Future users consist of undefined future tenants representing a change in use which requires flexibility of site, structure, or services to maintain market edge, and therefore presumed resale liquidity.

E. Recognition of the fact that profit maximization must be limited by concerns for physical environment and community priorities for land use has resulted in redefinition of the most basic concept in appraisal; i.e. highest and best use, in the authorized terminology handbook sponsored by the American Insitute of Real Estate Appraisers and

the Society of Real Estate Appraisers. Compare the 1971 definition with that for 1975:

Highest and best use concept -
A valuation concept that can be applied to either the land or improvements. It normally is used to mean that use of a parcel of land (without regard to any improvements upon it) that will maximize the owner's wealth by being the most profitable use of the land. The concept of highest and best use can also be applied to a property which has some improvements upon it that have a remaining economic life. In this context, highest and best use can refer to that use of the existing improvements which is not profitable to the owner. It is possible to have two different highest and best uses for the same property: one for the land ignoring the improvements; and another that recognizes the presence of the improvements.
p. 57, Real Estate Appraisal Principles and Terminology, Second Edition, Society of Real Estate

"Highest and best use: That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value. The definition immediately above applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. Implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners. Also implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best

use represents the premise upon which value is based. In the context of most probable selling price (market value) another appropriate term to reflect highest and best use would be most probable use. In the context of investment value an alternative term would be most profitable use.
Real Estate Appraisal Terminology, Edited by Byrl N. Boyce, Ph.D., SRPA, Ballinger Publishing Co., Cambridge, Mass., 1975. (Emphasis added.)

G. The purchase of a piece of real estate today involves the acceptance of a great many assumptions about the future. Those who take care to validate these assumptions in a period of transition as to public land use control tend to have the most successful investment.

1. Business decisions today make explicit recognition of their assumptions and the need to act under conditions of uncertainty.

2. Business risk is the difference between assumptions about the future and realizations, and the proforma budget and the end of the year income statement.

3. Risk management is the control of variance between key assumptions and realizations.

4. An appraisal is a set of assumptions about the future productivity of a property under selected conditions of certainty.

5. A feasibility study is a test of a particular proposal under alternative sets of assumptions about the future and its tolerance for variance or priority for certainty.

H. The concept of highest and best use of land was a commodity concept which did not consider externalities adequately. It is being replaced by concepts of most fitting use and the concept of most probable use.

1. The most fitting use is that use which is the optimal reconciliation of effective consumer demand, the cost of production, and the fiscal and environmental impact on third parties.

2. Reconciliation involves financial impact analysis on "who pays" and "who benefits"--thus the rash of debate on how to do impact studies.

3. The most probable use will be something less than the most fitting use depending upon topical constraints imposed by current political factors, the state of real estate technology, and short-term solvency pressures on consumer, producer, or public agency.

4. Most probable use means that an appraisal is first a feasibility study of alternative uses for a site in search of a user, an investor, and in need of public consent.

I. In seeking the most fitting and most probable use, the inner city planner and private property appraiser must interact to determine how community objectives and consumer and production sector solvency can be achieved simultaneously.

1. A real estate decision has only two basic forms. Either a site is in search of a use and consumer with the ability to pay, or a consumer, need or use with a defined ability to pay is seeking some combination of space-time attributes he can afford.

2. The individual consumer with needs and a budget is the drive wheel.

3. The public sector represents the community owned consumer service delivery system, seeking to minimize marginal cost to the consumer and average cost to the community at large.

4. The production sector responds to a derivative demand for engineering and management expertise.

5. Real estate is a collective decision and a product of the political process.

J. Critiquing the form and adequacy of a real estate solution is analogous to the artistic concept of judging the success of an art object by relating form of the solution to the context to which it was created.

   1. Context includes those elements which are fixed, given, or objective and to which any solution must adapt.

   2. Form-giving elements are those variables within the artist's control, i.e. options or alternatives at a particular time.

   3. A solution is judged for its correctness or success in terms of the degree of fit of the form proposed to the context.

   4. Feasibility analysis is concerned with the degree of fit or the extent of misfit between a proposed course of action and the context within which it must operate or fit.

   5. Success therefore depends on how appropriately the problem is defined; testing feasibility depends primarily upon accurate and comprehensive definition of the context.

K. Ultimately there are only three major decision formats for real estate and land economics.

   1. A location (and related improvements) in search of a justified use.

   2. A justified use in search of the best fitting location (and related improvements).

   3. Money in search of an investment in location and related improvements--the conversion of space-time needs to money invested over time.

EXHIBIT 3

Analysis Process: In Search of a Use(s) For a Site

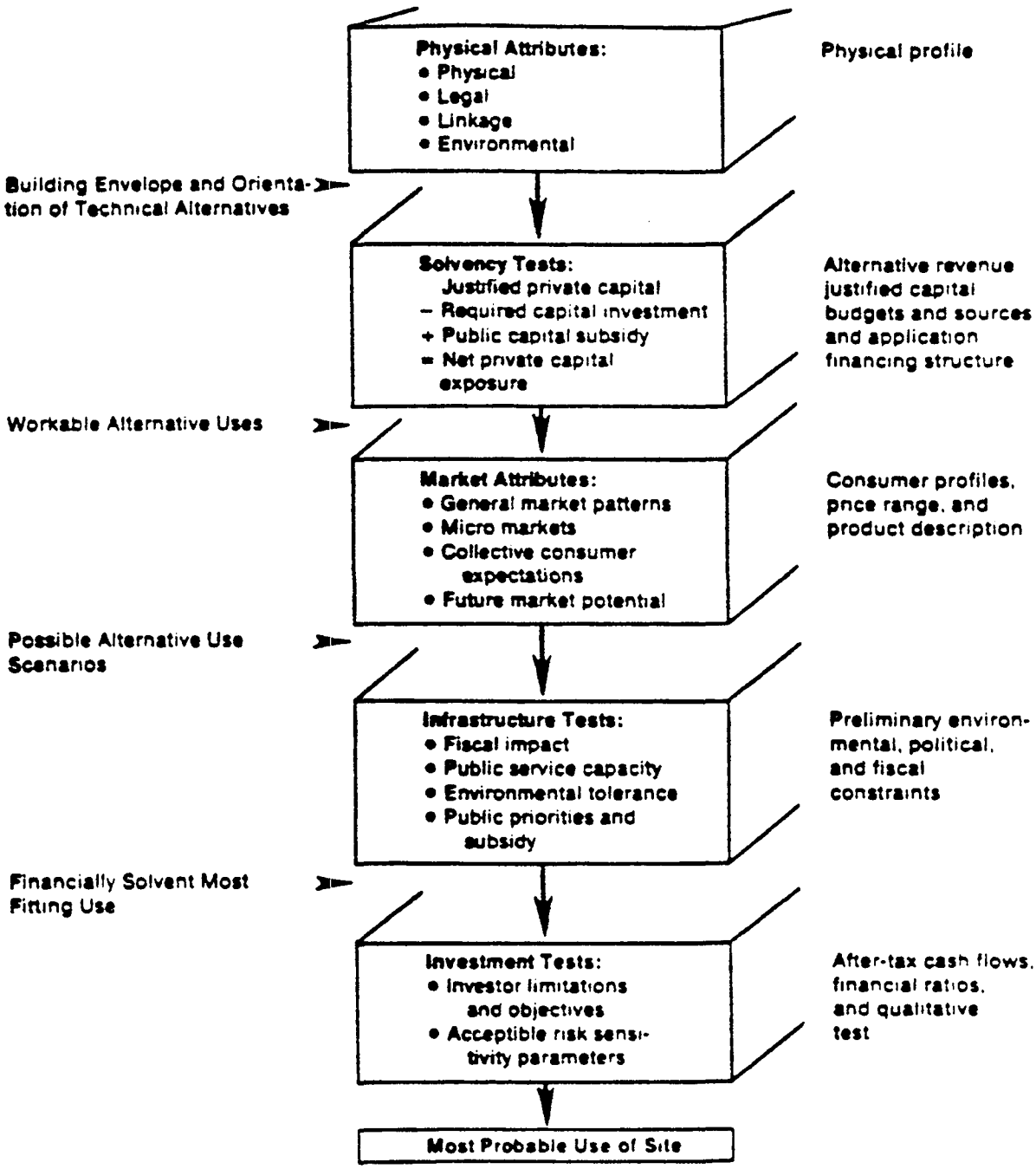


EXHIBIT 4

Analysis Process: The Search For a Site For a Use(s)

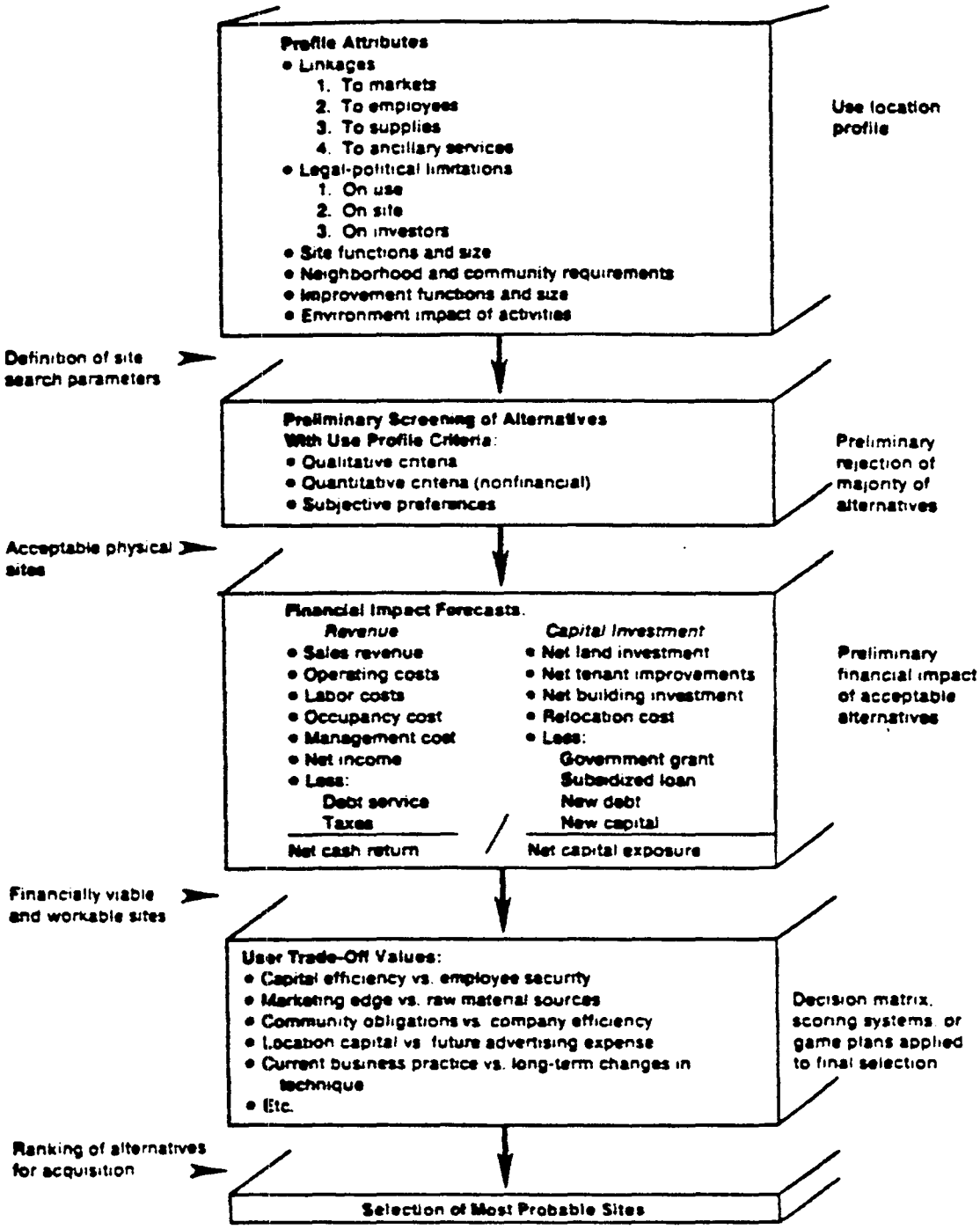
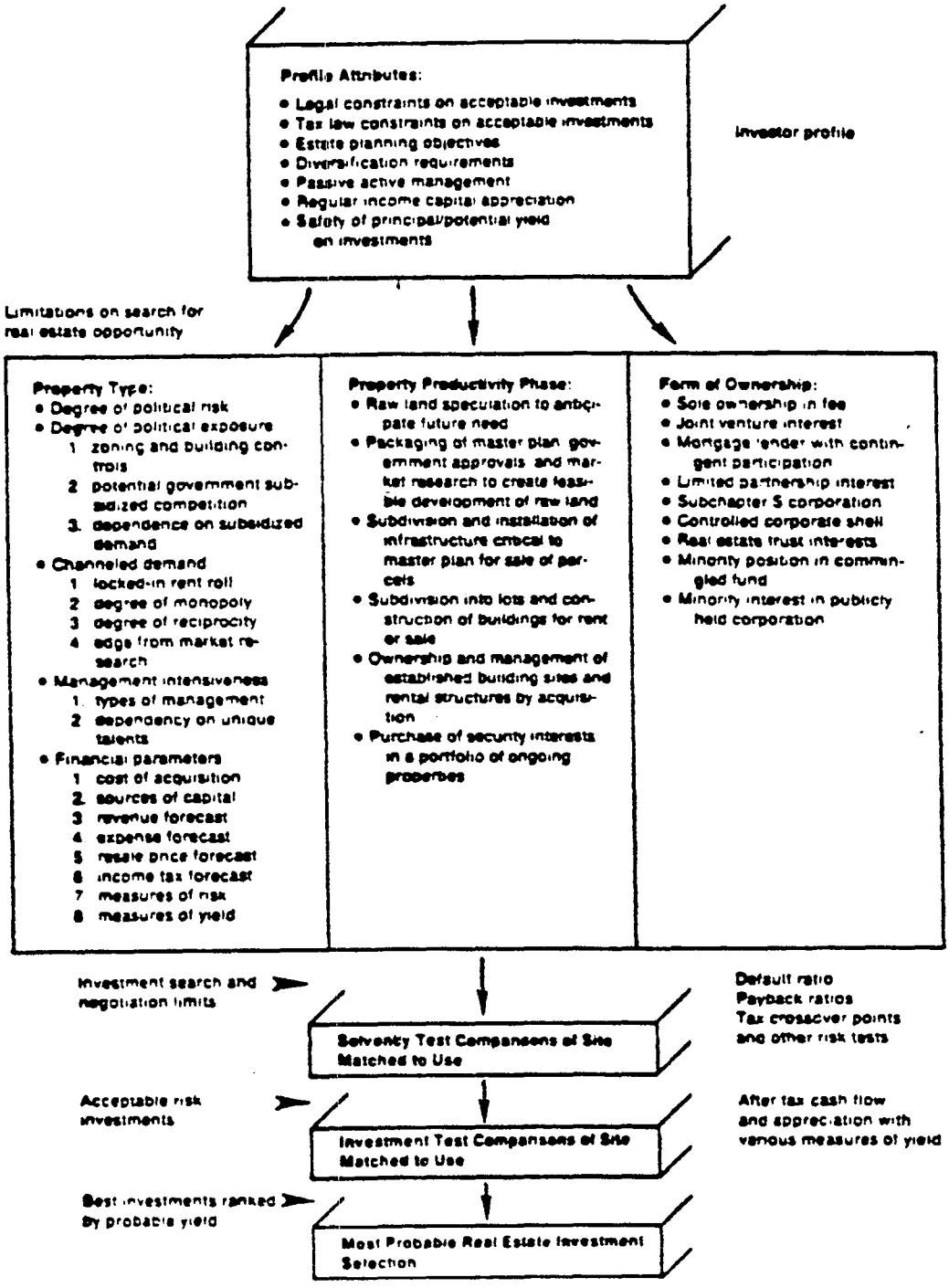


EXHIBIT 5

Process for Investor Selection of Real Estate



The School of Business
University of Wisconsin-Madison

Graduate School of Business
1155 Observatory Drive
Madison, WI 53706
608/262-0391

JAG's copy

January 19, 1987

TO: Michael Anikeeff
Ronald Barbieri
John Griffin
Dowell Myers
Michael Robbins
Rod Matthews

FROM: Professor James A. Graaskamp

RE: Real Estate Development Process, Course I, National School for Real Estate Development

1987 Summer Schedule

First offering will begin Sunday evening, *June 7, 1987, and continue to Friday, Noon, *June 12, 1987, at the InnTowner, 2424 University Avenue, Madison, WI 53705. Second offering will begin Sunday evening, *June 28, 1987, and continues to *Friday, Noon, July 3, 1987, at the Extension Conference Center, UW, 702 Langdon Street, Madison, WI 53706.

A new course on microcomputer tools for real estate analysis in under development and will be offered Sunday evening, *June 15, 1987, till Friday, Noon, *June 19, 1987, at the Microcomputer Lab of the UW Extension Conference Center, 702 Langdon Street, Madison. This course may be repeated in late August on the East coast or West coast at a university computer lab.

Course Development

The Real Estate Development Process course will be improved from the 1986 version by reflecting experience and changes desired by the 1986 faculty, suggestions from Michael Anikeef, and improved notebook material presentations from educational consultants, Dr. David Rossiter, Alan Moller, and Serge Ogranovitch, provided by ULI.

First element for course refinement is a detailed outline 1.A1, a copy of which is enclosed with tentative areas of responsibility indicated. The instructor is to modify elements in the A or 1, 2, 3, category or provide further details in his area of expertise (or any other suggestion that he may wish on the outline). Please supply these details to Michael Anifeef at the ULI and Jim Graaskamp immediately.

The second item needed is a suggestion by each instructor as to a limited number of text materials which he wishes included in the bibliography for his section over and beyond relevant ULI materials.

Third, each instructor may suggest a specific reading item or items or case study materials that he wishes to include in the student notebook. These materials are needed almost immediately to provide time for development of a uniform, sexy course notebook which can continue to be used as a reference manual by the student.

Faculty Arrangements

This year Michael Anikeef will formalize a contract letter with each faculty member relative to expenses, course development time, and course presentation time. Since it is very demanding to expect each faculty member to travel to Madison twice in the month of June, please indicate to Michael your availability for one or both course offerings and suggest a substitute should your other commitments later prove to be in conflict with the course commitment. Summer 87 may be a good time to begin involving other ULI members and developing a cadre so that the Development Process Course can be offered at other locations in 1988.

Concepts Controlling Course Outline

The concept of development has been defined and extended from raw dirt to remodeling, management and enhancement. The outline shows more emphasis on definition as well as mechanics. More time is spent on finance and structuring and less on residental land planning, construction materials, and engineering. We have strengthened the concept that a faculty member should teach no more than a half day at a time and many of the case study modules would permit us to insert a ULI developer for a specific topic section if and when available. Such a guest would be provided the detailed outline on his/her module to control the content of his particular contribution. Each Roman numeral unit has been roughly allocated 35-40 minutes in time although this may vary slightly from topic to topic. Hopefully, in a month or so we will send you a graphic CPM chart of the development process, which we can use to visually tie each presentation into the process and which will provide some graphic structure to the subject matter. Ultimately slide materials and script should be duplicated to become a permanent part of the package available to ULI in repeating the course program at other times and places with other faculty.

Course evenings have not yet been allocated, other than Sunday night orientation. Students indicated desirability of a field trip to a development project, an opportunity for camparison of student experiences in an open ended discussion, or optional use of ULI or other video tapes. Since Madison has an interesting variety of restaurants, concerts, outdoor sports and after hours entertainment, students may want to be free to explore the city in late afternoon and evening. Course outline needs recommendations on evening course work.

JAG/sjw

January 19, 1987

Michael Anikeeff
Senior Associate, Continuing Education
815 Thayer Avenue, #1208
Silver Springs, MD 20910

RE: National School for Real Estate Development

Dear Mike:

I am sorry for the delay. I have sent the attached course outline and memo to all of those indicated by courier and will call them at the end of the week to see if they have any critical changes or limitations. Should any of the instructors be limited to one session or be unable to particpate unexpectedly, I would suggest our Professor Rod Matthews as a back up for John Griffin, Professor Mike Robbins or Jim Canestero as a back up to me, Claude Gruen or Terry Grissom as a back up to Dowell Myers, and Stephen W. Chamberlin of Rouse and Associates as an alternative to Ron Barbieri. Mr. Chamberlin can be contacted at 45 Belden Place, San Francisco, California, 94104; telephone number (415) 433-4000.

I will prepare a bibliography on non-ULI materials that should be basic reference text for anybody in the development business as part of our development process notebook. In the meantime, here are the two handbooks on site analysis that I mentioned to you earlier. The first is smaller with somewhat better graphics while the second is more comprehensive:

1. SITE RECONNAISSANCE AND ENGINEERING, Harlow C. Landphair, John L. Motloch, Elsevier Science Publishing Co., Inc., New York, NY, 1985.

2. TIME-SAVER STANDARDS FOR SITE PLANNING, Joseph DeChiara, Lee E. Koppelman, McGraw-Hill Book Co., New York, NY, 1984.

The computer course outline is in process and Mike Robbins and I will call towards the end of the week to see how much we might want to use ULI member expertise as lecturers as opposed to simply our University of Wisconsin staff here with a couple of my local graduate students as teaching assistants. The former seems the political thing to do, perhaps on a show-and-tell basis for a couple of cases, while the travel money could be better spent on more teaching assistants to help people get started on the machines.

I look forward to your comments

Sincerely,

James A. Graaskamp, Ph.D., SREA, CRE
Urban Land Economist

Enclosure

The School of Business
University of Wisconsin-Madison

Graduate School of Business
1155 Observatory Drive
Madison, WI 53706
608/262-0391

January 26, 1987

Sent 1/87/26

Realty Micro-Systems, Inc.
P.O. Box 532
Lewiston, NY 14092

Gentlemen:

We believe you are presently distributing a Real Estate Investment Model called ATV, originally developed by Robert Martin from North Carolina. This is a very straight forward program which we understand has been expanded with several options for leases, construction, and others.

The University of Wisconsin School of Business has been asked to develop a one week course on computer applications to real estate development using the microcomputer, directed to members of ULI and their employees. Before spending several days on how to do spread sheets for special development problems, we would like to use demonstrations of three or four existing investment/evaluation programs. To that end we would like to buy a complete set of your materials plus 35 sample discs for a demonstration of your program to be used by the students without opportunity to steal the program. Our microcomputer lab has 35 IBM-PC computers so that each student will be doing a set of problems between each 30 minutes of lecture. The student would receive your sample disc while your complete manual would be available as a reference. We would use the full model to develop several illustrative problem sets.

The first computer seminar will be held the week of June 15 on the University of Wisconsin campus, and a second seminar will be held on the West coast in the Fall at a university to be chosen.

We look forward to your suggestions and current pricing lists.

Sincerely,

Prof. James A. Graaskamp (SW)

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

JAG:sw

The School of Business
University of Wisconsin-Madison

Graduate School of Business
1155 Observatory Drive
Madison, WI 53706
608/262-0391

January 27, 1987

Michael Anikeeff
Urban Land Institute
1090 Vermont Avenue, NW
Washington, D.C. 20005

Planning Issues:

1. Students will steal programs and disks as a part of the course.

   A. For Wisconsin original programs, we would suggest that we let them take the stuff and you provide University of Wisconsin a fee of $100 per student for the leakage of MR GIB, MR CAP and a variety of other sample programs.

2. For other proprietary programs we propose the supplier of the program give us a student sample disk of some component of the overall program.

3. The alternative is to find a computer lab where each machine has 10K or more of hard disk which is preloaded with everything you needed for the course and the A-drive was disconnected so it cannot be copied.

Visting Faculty:

1. We recommend that most of the teaching budget go to teaching assistants so that we have one for each row of students during the lab times.

   A. The Harvard Total Project Manager II should be presented by someone familiar with that program; it might be useful to use Ehud Mouchly from the west coast for a day on land development and sensitivity models so that he could take the lead on the west coast presentations. Otherwise we might involve Rich Peiser at USC, or Bob Knitter at the University of San Francisco.

   B. We have a cadre of lab assistants here in Madison so we don't need additional help except to the degree that we can use the course to integrate other ULI participants to provide leadership at non-Wisconsin sites.

   C. Budget will need to recognize floppy disks free for the student (for the first two) and the need to reproduce operating manuals, overhead slides and similar materials that can be reused in subsequent seminars.

D. One evening we may wish to have a show and tell on newer systems such as PROJECTION, or CREAMS, or REFINE.

E. Doug Stoker of Skidmore, Owens, and Merrill makes a very exciting presentation on the architectural office as the fundamental source of spatially located data for facilities management. He argues that asset management will require continual refinement of the original project. Moreover, he argues that give the architect the opportunity to sell a continuing service and the architect as building professional will become an integral part of the property manager and a life cycle cash flow system.

Canestaro.wp
3-9-88

March 9, 1988

James C. Canestaro
The Refine Group
P.O. Box 194
Blacksburg, VA 24063-0194

Dear Jim:

Delighted you can work with us on the ULI Real Estate Development Process Courses. The exact dates that you are teaching are the afternoon of Wednesday, May 18, and the morning of Thursday, May 19. In June at the conference in Princeton you would be on Wednesday afternoon, June 22, and the morning of June 23. We would also like you to participate in a group talk session Tuesday night, May 17, with John Griffin, Dowell Myers, you and me where the students can have at us any way they choose. (This would be repeated Tuesday night, June 21, at Princeton.)

On Wednesday evening, May 18, we have scheduled an open evening so the students can explore dining in Madison without deadlines. You would have 1:00 until 5:00 on Wednesday (4 hours) and 8:30 until noon on Thursday (approximately 3 1/2 hours).

However, we must stick to the subject areas. Last year the group felt Barbieri had too many slides, so we must limit the slides to four hours, which I realize cramps your style; however, we want you to give your talk on alternative procurement measures - traditional, fast track, etc. - and a good introduction to construction management. Mimeographed materials sound like a good idea, but we would like to produce them here and have them in the notebook. Are you talking about a royalty of some sort? In any event, we need your outline materials by the end of March because ULI needs a full sample manual in mid April.

Call me about what materials you would like to use for construction management and procurement.

Sincerely,

James A. Graaskamp
Chairman, Real Estate & Urban Land Economics

JAG:bam

cc: Michael Anikeeff

Berkowit. WP
3-28-88

March 28, 1988

Richard K. Berkowitz
Arthur Anderson & Co.
33 West Monroe Street
Chicago, IL 60603

Dear Dick:

Thank you for a special trip to Madison with Art Gordon to discuss curriculum development for your real estate consulting division and other possible advisory roles. I believe we could have a good match of goal convergence between Arthur Anderson and Company and the "crusade" for professional appraisal which characterizes the University of Wisconsin Real Estate Program.

With this letter I am sending a number of selected items which you may find useful. First, I have provided resumes on my teaching colleagues and their hourly rates for development and instruction. Each faculty member would be paid by Arthur Anderson and Company directly and, with the exception of Professor Graaskamp and Jean Davis, is not an employee of Landmark Research, Inc.

Brochures on the ULI programs and the American Bankers Association programs are enclosed together with a monograph I did for ULI that provides an introductory statement of the Wisconsin concept of real estate.

I have also enclosed some selected course syllabi for our advanced courses. These are illustrative of subject matter only and courses that would be designed for your purposes would be much less dependent on readings and tied to a broad variety of case problems and sample reports of both good and bad professional work. These materials will provide a point of departure for our discussion of curriculum design. My colleagues are also excited about this opportunity and we would like to reserve a week this summer for the first offering. Such a week will have to fit a complex set of commitments here in Madison, not to mention the scheduling of your spaces in St. Charles.

Again, thank you for doing us the honor of coming to Madison. We look forward to being of service.

FOR LANDMARK RESEARCH, INC.

James A. Graaskamp

Enclosures

cc: Dowell Myers
Mike Robbins
Rod Matthews

ULI Real Estate Development School

The Development Process

May 15 -20 Dates appear to be correct here but incorrect below
Inntowner Hotel, Madison, Wisconsin

— Professor James A. Graaskamp died on April 22, 1988 —

Preliminary Program Outline
(Incl. D. Meyers Outline)

Sunday, May 20 15

Evening - Graaskamp:

I. Introduction
II. Comments on National School for Real Estate Development
III. The Ethics of Enterprise Management

Monday, May 21 16

Morning - Graaskamp:

I. Definition of Key Concepts
II. Major Actors in the Real Estate Development Process
III. Each Actor as a Cash Cycle Enterprise
IV. Stages in the Development Process
V. The Nature of Preliminary Planning and Feasibility
VI. Development Risk
VII. Risk Management Methods

Afternoon - Griffin:

I. Land Use Control Law:
II. Social Compact Between Developer and Community

Evening - Open

Tuesday, May 22 17

Morning - Griffin:

I. Web of Contracts
II. The Contract Between Owner and Architect
III. General Conditions of the Contract for Construction
IV. Acquisitions and Leasing

Afternoon - Graaskamp:

I. Market/Linkage Attributes
II. Market Research
III. Research Differences by Types of Projects
IV. Strategy of Market Research
V. Site Reconnaissance
VI. Legal/Political Attributes
VII. Political Process
VIII. Litigation vs. Political/Professional Operations
IX. Negotiating Public/Private Development
X. Merchandising Research

Evening: Group Discussion; Graaskamp, Griffin, Myers, Canestaro

Wednesday, May 23 18

Morning - Myers:

I. Importance of Market Research
II. Basic Dimensions
III. Strategy of Market Research
IV. Sources and Uses of Demographic Trends
V. Other Secondary Data in Tabulations
VI. Sources of Data
VII. The Role of Survey Research
VI. Research Problem Areas
VII. Research Differences by Project Types
VIII. Checklist for Evaluating Market Research

Afternoon - Canestaro:

I. Office Building Design
II. Commercial Construction

Evening - Open

Thursday, May 24 19

Morning - Canestaro:

I. Commercial Construction
II. Construction Management

Afternoon - Graaskamp:

I. Real Estate Finance
II. The Mortgage Application Process
III. Source and Function of Equity Finance
IV. Hybrid Finance and the Developer

Evening - Graaskamp:

I. Psychology of the Regional Shopping Center

Friday, May ~~25~~ 20

Morning - Graaskamp:

I. Real Estate Development
II. Real Estate Management
III. Enhancement of Existing Real Estate Projects
    A. Property Management Operations
    B. Public/Private J.V.'s
    C. Asset Enhancement as Development Path of Future
IV. City Building as Long Term Urban Compact
V. Horton Plaza Case

Afternoon - Open

Development Process '88: on Market Research

Notes to accompany instruction to be delivered
as part of
the Urban Land Institute's course on
The Real Estate Development Process

I. Importance of Market Research

A. Market Research is the Bedrock

1. Project feasibility rests on a sound market study
2. The market study determines viability with the consumer
3. Market research feeds into the financial feasibility analysis
   --at the point where future vacancy levels are assumed
   --at the point where future rent levels are assumed
4. Any accountant can *assume* 5% vacancy and 4% annual growth in rents
   It requires expertise in real estate research to make a realistic judgment about future demand

B. Why Market Research Has Been Ignored

1. Investment decisions driven by tax considerations
2. Banks too happy to lend
3. Formal research no better than seat-of-the-pants decisions
4.

II. Basic Dimensions

A. Forecasting is Key

1. What is the best, sure-fire method of market research?
   see what is selling!
   problem: lemmings glut market
   problem: not oriented toward future time
2. Steps to Better Forecasting Methods
   3 key procedures help to keep forecasts closer to the target:
   1. Step-down from control totals for larger area
      start with total of region or county
      estimate share to city or subcounty area
      estimate share to be captured by project:
         a) equal share method: proportionate to floor area
         b) analogue method: based on experience in other sites
         c) more on this in a later section
   2. Networked forecasting is essential
      single variable extrapolations don't work
      like the blind men and the elephant...
         what ever piece you can get ahold of,
         try to relate it to the whole using benchmarks
         and cross-check different pieces of the evidence
   3. Disaggregate your analysis as far as data permit
      disaggregated data are the basis for segmented analysis

disaggregated data can be checked for accuracy more easily
but they are hard to come by for local areas:
secondary data are much richer for larger areas
--more money for data
--federal or trade association research staff
--easier to print detailed data for one broad area
than for a multitude of small places
the trick is to make use of detailed data from broader areas,
supplementing this where neeed by custom survey data

B. The 3 Legs of Real Estate Market Research

1. See Figure 2
2. Sound market research requires usage of combinations of methods:

Secondary tabulations: indispensable; data of first resort
data already available; cheap and fast; census data are high quality

Survey research: customized to needs; last resort
expensive and time-consuming
"taking a survey" will not automatically provide answers

Regression analysis: powerful inferences;
requires surveys to collect primary data

3. The best, i.e. most elaborate, market studies integrate all three legs of research

C.

III. Strategy of Market Research

A. Looking for Dfferences or Changes

1. What gaps exist?
2. What have other suppliers missed?
3. What changes are coming?

B. Clear OBJECTIVE:

identifying unmet future demand within a definable niche

C. EMPHASIS ON .....

1. real consumers
instead of trends in the industry
exactly who is the customer?

2. defining market niches
instead of market totals
identifying user groups
understanding subjective preferences
recognizing organizational needs
other ?

3. unmet demand
tracking competition for your targeted segment of demand
finding pockets of unsatisfied demand

4. the future, not today
   it takes time to develop a project
   what will be conditions when it comes to market?

5. make maximum use of available local data
   methods are more adaptable than data
   choose methods appropriate to the available data

> *"If the only tool you have is a hammer, every problem is treated like a nail. In fact, some people can only see nails,*
> *overlooking the saw cuts that might be more profitable."*

   problem: you can't be well skilled in all methods
   solution: learn the methods that are best adapted to the data you will find

6. extrapolate more detailed information from other places
   smaller scale places have weaker data resources
   places are unique, but resemble one another

D. Tension Between the "Niche" and "Aggregate" Perspectives

1. Both are important

2. Micro Research
   emphasis on survey research
      collection of "primary data"
      custom tailored to research needs
      expensive and time consuming
   used to identify market segments and decisionmaking behavior

3. Macro Research
   emphasis on secondary data analysis
      census data
      economic forecast data
      industry-wide data
      prepackaged: relatively cheap
   used to benchmark aggregate market growth

4.

E. The 4-Square Design for Market Research

1. A proposed resolution of the macro/micro debate
2. Here is a method for
   linking aggregate and niche research (micro and macro)
   and for projecting current data to future conditions
3. Refer to Figure 3
4. The four squares are formed by two dimensions
   macro vs. micro

present vs. future

5. Within these squares we define SEVEN STEPS in market analysis:
6.

1. Identify the current property OR one similar to the proposed

2. Decide how far into the future is the time horizon for analysis
   - current conditions only
   - 1-2 years: builder's time frame
   - five years: developer's time frame
   - ten years: investor's holding period

3. Locate and/or construct forecast data for the AGGREGATE market appropriate to the selected time horizon

4. Redescribe the current property (or example) in segmentation terms equivalent to those used in the aggregate forecast
   NOTE that only limited information can be forecasted
   —often this is in a different form than current data we use

5. Analyze the property and its tenants in ratio to segments of the current aggregate market
   use primary data collection—surveys, etc.

6. Use aggregate forecasts to scale the current segmented market forward to the desired time horizon in the future
   use marginal scaling techniques

7. Apply the property's CURRENT ratio standing to the forecasted aggregate market
   use capture rates disaggregated by segment
   use sensitivity analysis of alternative forecasts for the segmented capture rates themselves

F.

IV. Sources and Uses of Demographic Trends

A. Fundamentals of Demographics

1. There are two basic components:
   1. composition
      the makeup or breakdown of the population into subgroups
   2. behavioral rates or propensities
      these are defined for each subgroup in the composition
2. Change in either factor generates market change
   Market = Composition X Behavior Rates
   Refer to Figure 4
3.

B. Convenient Rules of Market Segmentation

1. Detailed data required for segmentation
2. Build off the more reliable data
   --more reliable geographies

--more reliable variables

3. Borrow detailed tables from larger geographies
   scale these down to the local area by
   using the more limited local data
4. Recommended order of variables in breakdown: age/income/attitudes
   refer to Figure 5: schematic
   refer to Figure 6: elderly example

V. Other Secondary Data in Tabulations

A. The Top-down Structure of Data Availability

1. Much more data is available for larger geographic areas
   Nation/region/state/MSA/county/city/census tract/block
2. More detail is reported for the larger geographies
3. More frequent updates are performed for larger geographies

B. Methods of Scaling Data

1. [see Scaling Data Notes]
2.

VI. Sources of Data

A. Federal Data Sources

1. Retail data available
   Consumer Expenditure Survey--U.S. annually
   Census of Retail Trade--MSA's every 5 years
2. Housing data available
   American Housing Survey--U.S. biannually
   Current Population Survey--U.S. annually
   Housing Vacancy Survey--U.S. annually
   American Housing Survey--selected MSA's every 4 years
   C-40 Construction Reports--MSA's and localities monthly
3. Office data available
   SIC code information
   proprietary data
4. Industrial data available
   SIC code information
   proprietary data

B. Local Planning Studies

1. More detailed local data are available from local government sources
2. These data are updated irregularly
3. The data are not produced in a standard format across localities

C. Private Data Firms

1. Standardized local data—updated by projection—are available
2. These data are estimated from a baseline of the last census
3. They are much skimpier than the census, but provide basic info
4. The data are reasonably priced
5. Some drawbacks:
   The data have uncertain reliability
   reference the ICSC *American Demographics* article
   The data are standardized and not customized to the user's needs

VII. The Role of Survey Research

A. *Strategy is to Link Custom Surveys to Secondary Data*
   1. Choose same sample base as for secondary data
   2. Choose same variable defintions and categories

B. *Consumer Questions*
   1. Choosing the Right Sample
   2. Preferences
      what do they see missing from the market?
   3. Expected Behavior
      plans to upgrade
   4. Tie to Secondary Data Tabulations
      (that's what the demographics at the back are for)

C. *Supplier Questions*
   1. Choosing the Right Sample
   2. Market Targeting
      who are the current tenants
   3. Vacancy Rates
      leased or occupied?
         double counting tenants?
      at what time of year?
      what is the normal VR?
   4. Months of Supply Alternative
      divide vacancies by monthly absorption
      gross or net absorption?
      how to measure <u>current</u> absorption rate?
         don't be fooled by last year's data

D. *Sample Selection*
   1. A Good Sample is Better than a Poor Complete Survey
      samples ae less time consuming
      don't survey only largest projects
      danger of low response rate
   2. Random = representative
      goal is to extrapolate from a sample to whole market
   3. Advantages of a stratified sample
      better look at some smaller categories
      more efficient comparisons
      sample weights correct for sample fractions
   4. Alternative Bases for Samples
      Inside vs. Outside samples
         inside = current tenants or customers
         outside = whole market area

VIII. Sticky Problems

A. *Defining Market Area*
   1. Every real estate type is different
      <u>Retail: smallest scale</u>
         Depends upon size of center:
            smaller centers have area of 1 mile radius
            larger centers may reach 5 miles or more
            superegional malls reach 15-20 miles

GOAL: *to find the seams between other stores' trade areas*

Methods
- gravity model
- Huff probability model of retail patronage
- other factors
  1. natural barriers segmenting space
  2. trapping point effect based upon traffic flows
  3. relative image of competing centers
  4. tenant mix, parking, amenities, etc.

End result: draw a line on a map
- don't draw a circle!
- don't assume 100% patronage inside the line

<u>Housing: medium scale</u>

Key principle is "substitution"
- sometimes the market is a single neighborhood
- but consumers compare units over wide range:
  - e.g. all of north suburbs or all of close-in westside
- substitution linkages lead many to view housing market as entire MSA
- larger cities lead to stronger spatial divisions in markets

Methods
- interview brokers and leasing agents
- interview tenants or prospects to see where is their search field for housing

<u>Office: medium scale</u>

demand may be segmented by downtown vs. suburbs
but firms have choice of moving
so many evaluate market at MSA level

overall, much like problem of defining housing market areas

<u>Industrial: resembles office</u>

B. Capture Rates

1. Defined as the share of market to be captured by new project
2. Importance of the capture rate is its impact on vacancy levels and rent levels
3. Probably the greatest source of error in market studies
4. Wild card in the market study: can't be directly estimated
5. Rule of thumb is the **equal share method:**
   - Share = % of square footage
   - Share = proposed addition / (current supply + proposed)

Of course, the true capture rate will be higher/lower
Never *bank on* exceeding an equal share

6. Judgment is required to assess whether a project can make its assumed equal share

7. Statistical forecasts are possible:
   An analogue or regression model can be estimated
   that is useful for predicting share to be captured by the new project
   Many factors can affect the capture rate, and these must be included in the data base
   Given a large data base of similar properties
   --with data on market shares
   --with data on market characteristics (i.e. demand)
   --with data on competition's characteristics (i.e. supply)
   This method is used by chain stores
   It is expensive and difficult to get right, but improves over guess work

C.

IX. Research Differences by Types of Projects

A. Office

1. Focus on <u>employment growth</u>
   number of added workers X sq. ft./worker
2. Consumer is executive in charge of leasing
3. Measuring sales potential by also
   considering lease expirations in competition
4. Segmented by class of space: A, B, or C
   and by location: downtown, west or east suburbs
   and by type: R&D, medical, clerical, business services, etc.

B. Residential

1. Focus on <u>household growth</u>
   number of added people by age&sex X demand parameters
2. Consumer is the household
3. Measure sales potential by also considering move-up in market
4. Segmented by owner/renter; size; price; and location

C. Retail

1. Focus on <u>localized expenditures</u>
   SP = HHs X Income/HH X Budget Share
2. Consumer is either the household or the individual
3. Emphasis on the capture rate vis-a-vis other centers
4. Segmented by different size centers, specialty/nonspecialty,
   and flavored by quality of the anchor

X.

XI. Checklist for Evaluating Market Research

Scoring:

<u>Each Item</u>	*<u>Total Score</u>*
a---0 points	< 10 points---terrible
b---2 points	10-15 points---fair

c---4 points
d---6 points

16-24 points---good
over 25 points---great

A. *1. Boiler plate check: are exhibits just padding or a smoke screen?*
   1. a) Some exhibits are not discussed by a single sentence
   2. b) Some exhibits never enter into the final analysis
   3. c) All exhibits build cumulatively to the market conclusion
   4.

B. *2. Is the market analysis oriented toward future conditions?*
   1. a) No exhibits are presented of future data except for the conclusion
   2. b) Less than one-third of exhibits contain future data
   3. c) Most of the exhibits involve forecasted market variables
   4.

C. *3. What kind of economic & population forecasts are used?*
   1. a) Analyst makes up own
   2. b) Analyst adopts one forecast from expert source
   3. c) Analyst considers forecasts from more than one expert source
   4.

D. *4. Is the market analysis "stepped down" from a larger area's control totals to geographic subareas?*
   1. a) Individual subareas are extrapolated independently (bottoms up view)
   2. b) Analyst takes a "top down" view of the subarea's share of total growth
   3. c) Analyst modifies top-down conclusions based on local area's capacity for growth
   4.

E. *5. Is the analysis focused excessively on market totals, or is it disaggregated, and how so?*
   1. a) Analyst relies mostly on total figures of population, housing units, etc.
   2. b) Analyst breaks down totals by applying ratios that are assumed and not well documented (e.g. percent homeowners)
   3. c) Analyst utilizes detailed breakdowns updated from earlier surveys or census
   4. d) Analyst utilizes detailed breakdowns derived from current survey
   5.

F. *6. Does the analysis focus in depth on the intended niche for the project?*
   1. a) Niches are not identified
   2. b) Niche is identified but not surveyed
   3. c) A niche is selected, its tenants surveyed, and its future analyzed
   4.

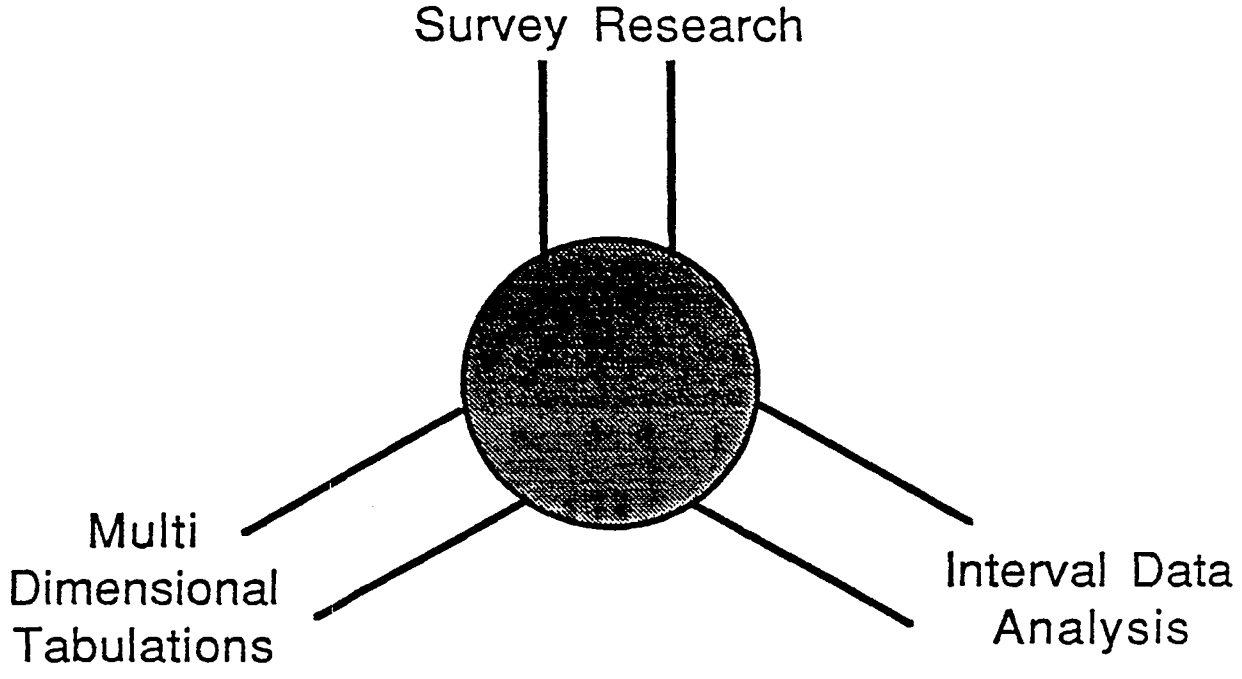
G. *7. Are market trends cross-referenced (networked) with one another, or are factors extrapolated independently?*
   1. a) Market factors are discussed independently and ratios between them are ignored
   2. b) Analyst discusses linkages and analyzes how they have changed over time
   3. c) Analyst uses a detailed model (econometric or other) that explicitly forecasts linked factors
   4.

H. *8. Are methods explained sufficiently?*
   1. a) Analyst leaps from a jumble of unrelated exhibits to a conclusion

2. b) Analyst presents logical argument with one or two leaps
3. c) Analysts presents logical argument, explains where leaps are necessary,
4. and provides at least a cursory explanation of technical procedures
5.

I. Comments, suggestions and additions are welcomed!

Three Legs of Market Research



NOTES:

- Survey research must precede all other research, but many tabulations are available as secondary data
- Good procedure dictates exhausting these secondary sources first: much faster and cheaper
- Some studies may proceed solely on the basis of tabulations from these data
- Better studies integrate secondary tabulations with custom survey design
- Interval data analysis of local market questions almost always requires custom survey work first
- The best, i.e. most elaborate, market studies integrate all three legs of analysis

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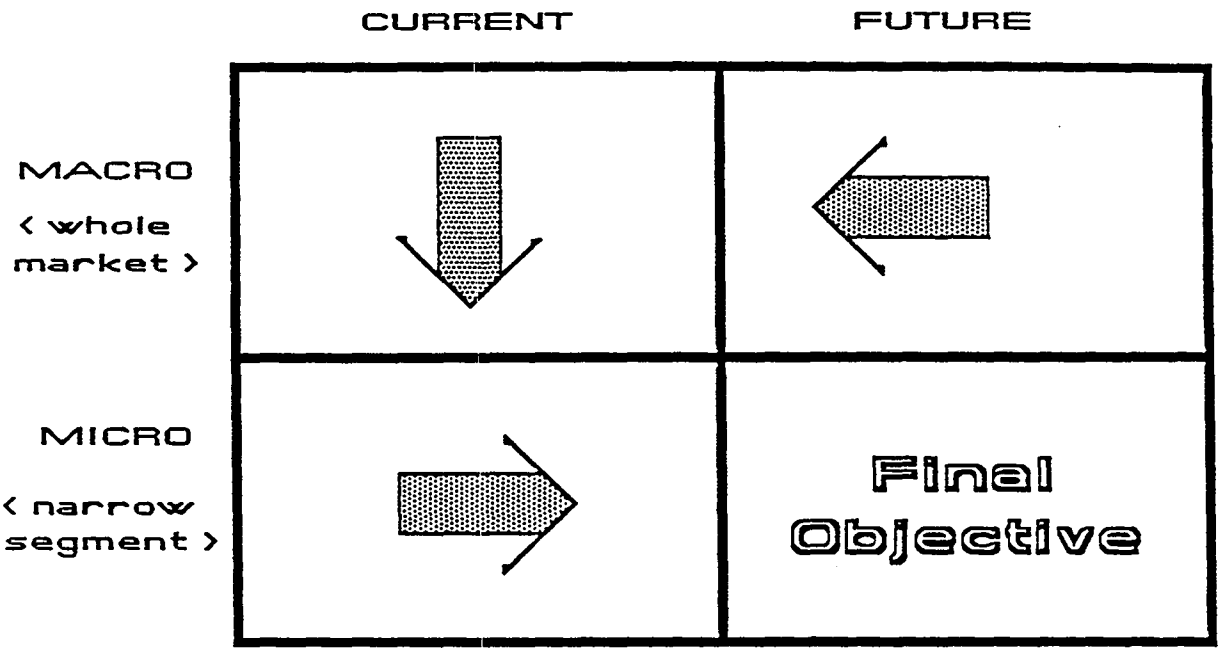
4-SQUARE
MARKET RESEARCH DESIGN



Design a Checklist to Check Quality of Market Research

fit to boxes

1. boiler plate check of Chapters

2. alternative pop/num forecasts discussed

3.

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IMPACT OF DEMOGRAPHY ON MARKETS

presentation by Dowell Myers, University of Wisconsin-Madison

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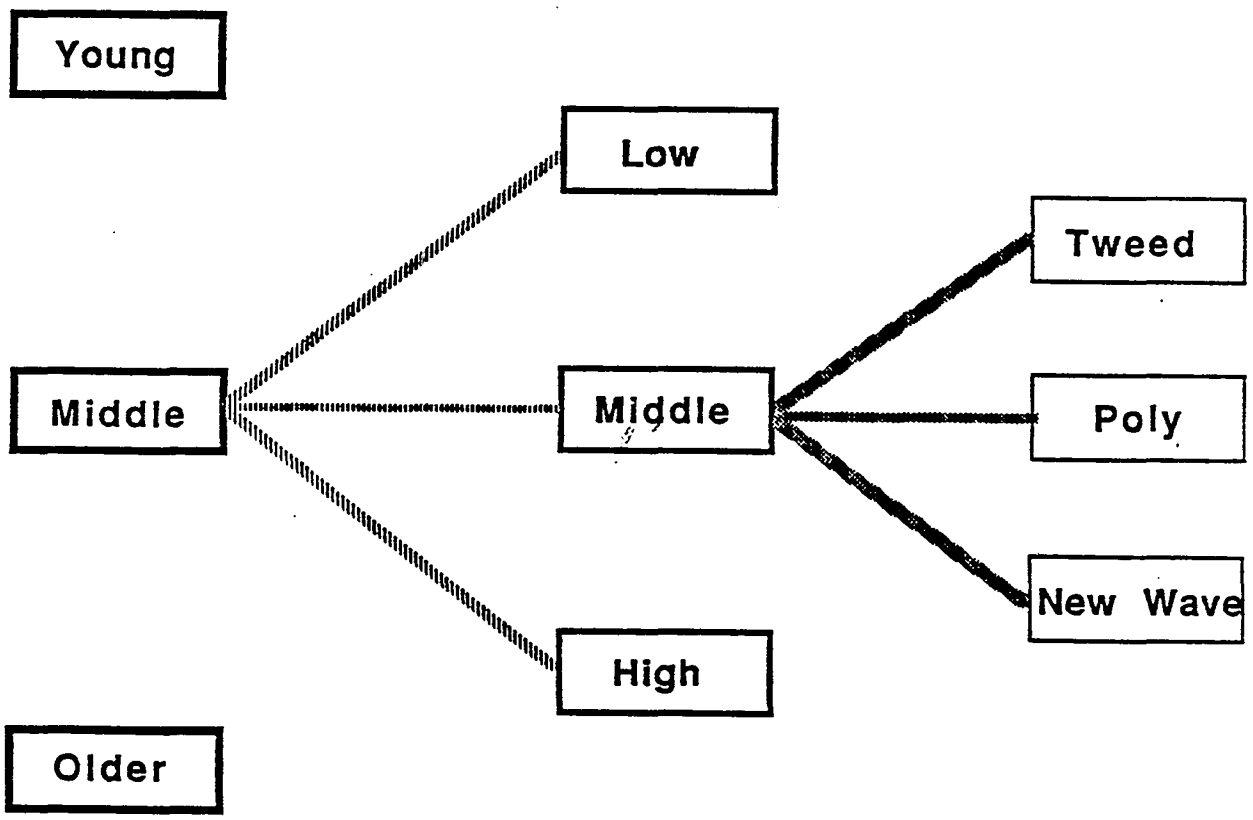
Population			X	Compositional Shares				X	Purchase Rates				=	Market Impact				
(BASELINE CONDITION)				*Income Levels* *low*	*low-M*	*up-M*	*high*											
1000	X	*young*		0.14	0.10	0.06	0.02		0.05	0.15	0.25	0.40		7.00	15.00	15.00	8.00	45.00
		middle		0.06	0.15	0.15	0.10	X	0.05	0.10	0.20	0.30	=	3.00	15.00	30.00	30.00	78.00
		old		0.08	0.08	0.04	0.02		0.02	0.04	0.08	0.12		1.60	3.20	3.20	2.40	10.40
							1.00							11.60	33.20	48.20	40.40	133.40
(CHANGED COMPOSITION)				*low*	*low-M*	*up-M*	*high*											
1000	X	*young*		0.10	0.08	0.04	0.01		0.05	0.15	0.25	0.40		5.00	12.00	10.00	4.00	31.00
		middle		0.06	0.16	0.17	0.14	X	0.05	0.10	0.20	0.30	=	3.00	16.00	34.00	42.00	95.00
		old		0.08	0.08	0.06	0.02		0.02	0.04	0.08	0.12		1.60	3.20	4.80	2.40	12.00
							1.00							9.60	31.20	48.80	48.40	138.00
(CHANGED COMPOSITION and BEHAVIOR RATES)				*low*	*low-M*	*up-M*	*high*											
1000	X	*young*		0.10	0.08	0.04	0.01		0.03	0.12	0.30	0.45		3.00	9.60	12.00	4.50	29.10
		middle		0.06	0.16	0.17	0.14	X	0.05	0.10	0.25	0.40	=	3.00	16.00	42.50	56.00	117.50
		old		0.08	0.08	0.06	0.02		0.05	0.06	0.10	0.15		4.00	4.80	6.00	3.00	17.80
							1.00							10.00	30.40	60.50	63.50	164.40

Three Levels of Segmentation

◊ ***recommended order*** ◊

Demographics	*Economics*	*Psychographics*
AGE	**INCOME**	**ATTITUDES**



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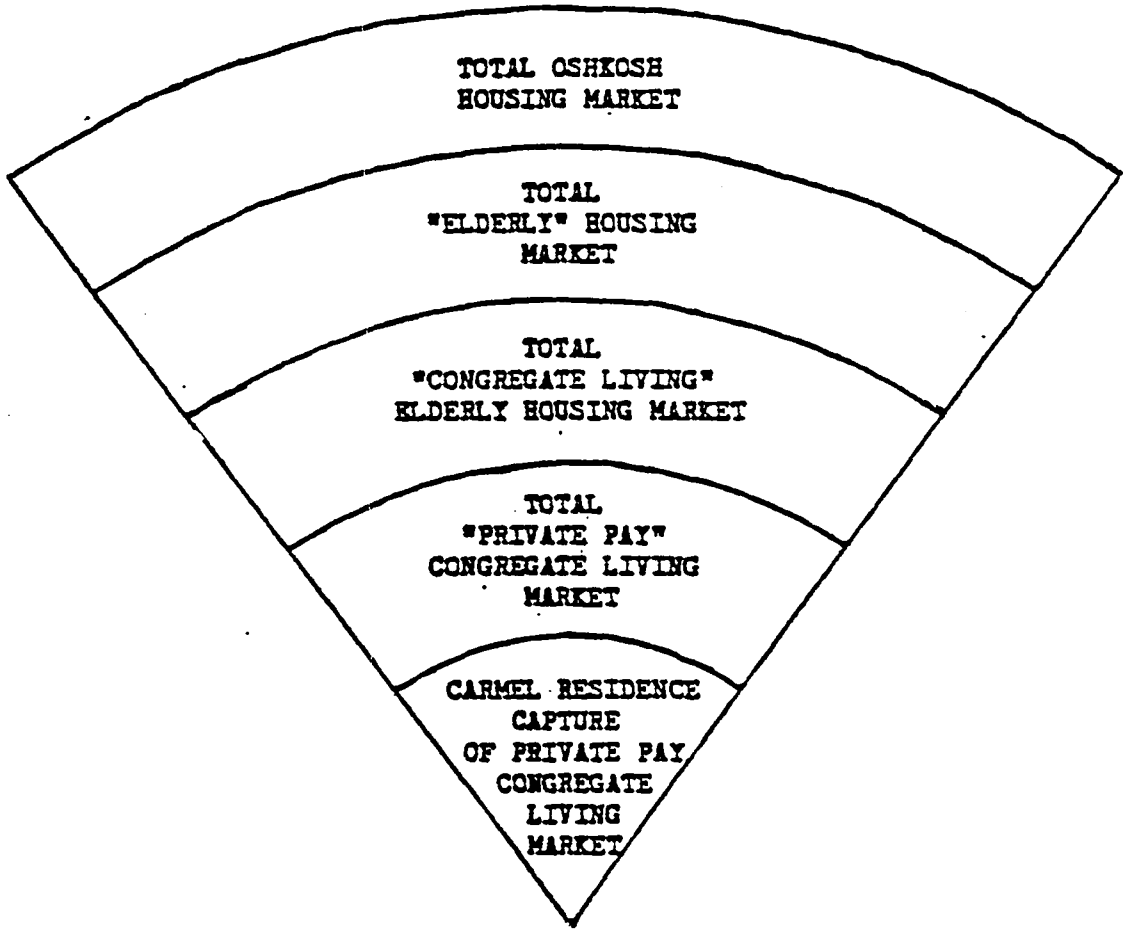
SEGMENTATION OF OSHKOSH

HOUSING MARKET



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(608) 262-0881

EXFSR03 * * * SIX MONTH CONFIRMATION NOTICE * * * DATE 11/04/87
PAGE 1

PROGRAM: 88-02218 ULI COMPUTER SEMINAR

COORDINATOR: GRAASKAMP, JAMES
118 COMMERCE BUILDING
SCHOOL OF BUSINESS
MADISON,WI
TEL: 608-238-8452

FROM 05/22/88 THRU 05/27/88
SCHOOL OF BUSINESS
REQ # BOOKED 06/22/87
UDDS /A122000/
LOCATION: WISCONSIN CENTER
608-262-0912

CONTACT

NOTES:

Below is a summary of the schedule of events for this program which have been developed from the information you have supplied to us as of this date. It is your responsibility to check it for accuracy and completeness and report any discrepancies to the Extension Conference Center Scheduling Department or the Unit Manager at once.

TENTATIVE ASSIGNMENTS (all room assignments are subject to change):

DATE	FUNCTION	TIME	ROOM	SET	NBR	NOTES
05/22/88	MEETING	12:45P-09:00P	210		44	COMPUTER LAB
	MEETING	12:45P-09:00P	211		44	
	MEETING	12:45P-09:00P	212		44	MEETING ROOM
	SLEEPING	08:00P	LHSR		12	WOULD LIKE MORE SLP. RMS. WHEN AVAILABLE.
	SLEEPING	08:00P	S113		1	SUITE 113
05/23/88	MEETING	08:30A-09:00P	210		44	COMPUTER LAB
	MEETING	08:30A-09:00P	211		44	
	MEETING	08:30A-09:00P	212		44	MEETING ROOM
	LUNCHEON	12:00P	MDR		44	
	SLEEPING	08:00P	LHSR		12	WOULD LIKE MORE SLP. RMS. WHEN AVAILABLE.
	SLEEPING	08:00P	S113		1	SUITE 113
05/24/88	MEETING	08:30A-09:00P	210		44	COMPUTER LAB
	MEETING	08:30A-09:00P	211		44	
	MEETING	08:30A-09:00P	212		44	MEETING ROOM
	LUNCHEON	12:00P	MDR		44	
	SLEEPING	08:00P	LHSR		12	WOULD LIKE MORE SLP. RMS. WHEN AVAILABLE.
	SLEEPING	08:00P	S113		1	SUITE 113

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DATE	FUNCTION	TIME	ROOM	SET	NBR	NOTES
05/25/88	MEETING	08:30A-09:00P	210		44	COMPUTER LAB
	MEETING	08:30A-09:00P	211		44	
	MEETING	08:30A-09:00P	212		44	MEETING ROOM
	LUNCHEON	12:00P	MDR		44	
	SLEEPING	08:00P	LHSR		12	WOULD LIKE MORE SLP. RMS. WHEN AVAILABLE.
	SLEEPING	08:00P	S113		1	SUITE 113
05/26/88	MEETING	08:30A-09:00P	210		44	COMPUTER LAB
	MEETING	08:30A-09:00P	211		44	
	MEETING	08:30A-09:00P	212		44	MEETING ROOM
	LUNCHEON	12:00P	MDR		44	
	SLEEPING	08:00P	LHSR		12	WOULD LIKE MORE SLP. RMS. WHEN AVAILABLE.
	SLEEPING	08:00P	S113		1	SUITE 113
05/27/88	MEETING	08:30A-04:30P	210		44	COMPUTER LAB
	MEETING	08:30A-04:30P	211		44	
	MEETING	08:30A-04:30P	212		44	MEETING ROOM
	LUNCHEON	12:00P	MDR		44	

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TENTATIVE ASSIGNMENTS (all room assignments are subject to change):

*** REMINDER:

COORDINATOR SIGNATURE NOT ON FILE. PLEASE SUBMIT WITHIN 2 WEEKS.

PROGRAM BROCHURE OR OTHER EVIDENCE OF PLANNING NOT ON FILE.

PLEASE CORRECT THE ABOVE DEFICIENCIES WITHIN 2 WEEKS
TO AVOID POSSIBLE CANCELLATION OF THIS EVENT.

____ THIS PROGRAM IS IN THE ACTIVE PLANNING PROCESS, PLEASE
CONTINUE TO HOLD THE RESERVATION LISTED ABOVE OR AS AMENDED.

____ PLEASE CANCEL THIS PROGRAM. REASON: _____

_____

SIGNED _____ DATE _____
COORDINATOR

RETURN TO ECC SCHEDULING DEPARTMENT, 702 LANGDON ST.

UWEX

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TENTATIVE ASSIGNMENTS (all room assignments are subject to change):

I HEREBY CERTIFY THAT: (1) THIS IS AN OFFICIAL FUNCTION OF MY DEPARTMENT; (2) I HAVE CHECKED THE ABOVE INFORMATION FOR ACCURACY AND AS AMENDED I FIND IT CORRECT; (3) I SHALL BE RESPONSIBLE FOR MAKING ALL ARRANGEMENTS FOR THIS EVENT WITH THE ECC SCHEDULING DEPARTMENT AND THE UNIT MANAGER INVOLVED, AND I SHALL SUBMIT A BROCHURE FOR THE EVENT (OR OTHER EVIDENCE OF CONFERENCE PLANNING) NO LATER THAN 4 MONTHS PRIOR TO THE BEGINNING DATE OF THE EVENT; (4) I SHALL BE RESPONSIBLE FOR THE PROMPT PAYMENT OF ALL CHARGES INCURRED FOR THIS EVENT; (5) I OR MY AUTHORIZED REPRESENTATIVE WILL BE PRESENT AT ALL SESSIONS OF THE PROGRAM.

SIGNED _____ DATE _____
COORDINATOR