JAMES A. GRAASKAMP COLLECTION OF TEACHING MATERIALS

II. CLASSES AT THE UNIVERSITY OF WISCONSIN--MADISON

R. Correspondence with Guest Speakers

2. Business 795: Guest Lecture Series

c. Sample outlines and lecture notes

Seminar in Real Estate Market Analysis:
Hospitality-Recreation-Tourism Enterprises

I. Perspective.

   A. Adoption of a perspective is important.

   B. Some alternatives.

      1. Loan officer.
      2. Syndicator.
      3. Developer.
      4. Equity investor.

II. The question of successful investing.

   A. The market transaction; to make a good deal, a bad deal, or to be closed out of the process.

   B. Real estate productivity and the new tax law.

   C. The use of market research and formal appraisals.

III. Hospitality-recreation-tourism as an investment area.

   A. Property types.

   B. Outlook for each type in terms of development scale, importance, changing demographics.

   C. Features that differentiate HRT real estate from other types of land use.

      1. Location.
      2. Sources of users (demand).
      3. The dimension of time, seasonality.
      4. The political dimension.

   D. Linkages with other types of land use.

IV. Market research for HRT enterprises.

   A. Basic questions...who, what, where, when, etc.

   B. The use of primary and secondary data.

   C. Sources of data.

   D. Some relevant models.

   E. Priorities...some relevant questions the analyst or investor might ask.

V. Case study: feasibility study for a center city hotel.

   A. Overview of the approach.

      1. Background.
      2. Data.
      3. Model.

   B. Critique of the feasibility study.

      1. Strengths.
      2. Weaknesses.

VI. Alternative cases.

   A. Marina.

   B. Water park.

   C. Multi-use recreation complex.

Tuesday, February 18, 1986
Keynote Address
9:00 AM

Raymond Garfield, Jr.
Vice President
Salomon Brothers, Inc.

I. OVERVIEW - To gain an understanding of what securitization is, why it is necessary, and the benefits which will accrure to the real estate industry and the capital markets.

II. INTRODUCTION TO SECURITIZATION

A. Goal - Bridge building between Wall St. and Real Estate Industry.

B. Definition of securitization - changing traditional debt and equity into securities format for capital markets.

III. HISTORICAL OVERVIEW OF MORTGAGE SECURITIES

A. Early REITs

B. Residential Mortgage Market
1. 1977 - First conventional mortgage pass-through
2. Ginnie Mae guarantees
3. Mortgage yields vs. competition
4. Wall St. Market Makers

C. Commercial Mortgage Market Overview
1. Contrast to residential
2. Traditional lenders in transition
3. Goal of commercial securitization - safety, liquidity, diversification, high yields

D. 1984 - First commercial issue: O & Y 3 building, & 970 million, cross-collateralized floating rate, first mortgage bonds

IV. LATEST TRENDS IN COMMERCIAL SECURITIES

A. Rating Mortgages
1. American Express - New Financing
2. O & Y/Fisher Bros. - Re-Financing

B. Segmentation and Zero Coupon
1. VMS/CIGNA

C. Cross Collateralization
1. AMI/PRIME

V. SUMMARY OF DEBT SECURITIZATION

VI. HISTORICAL OVERVIEW OF REITs

VII. NEW GENERATION REITs

A. Tax Law Changes a Catalyst

B. Finite - Life Structure vs. Perpetual REIT

VIII. EQK REALTY INVESTORS

A. Definition
1. Closed End
2. Finite Life
3. Fully Specified

B. Advantages
1. No Dilution
2. No Blind Investment
3. Finite Life
4. Liquidity
5. Fee Structure
6. Cash Flow Distributions

C. Institutional Appetite for EQK

IX. REIT FUTURE/WHAT TO LOOK FOR IN AN INVESTMENT

X. CONCLUSION