

JAMES A. GRAASKAMP COLLECTION OF TEACHING MATERIALS

III. REAL ESTATE DEPARTMENT ADMINISTRATION

J. The Development of a Real Estate Research and Learning  
Center

Correspondence

2 copies in

# de Coriolis Realty



5033 W. NORTH AVENUE • MILWAUKEE, WIS. 53208 • (414) 445-2442

January 19, 1979

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

Dear Jim,

In reply to your letter of January 13, 1979, Bill Malkasian has put a proposed bill in the legislative hopper which would establish a real estate research center to be funded by a portion of real estate license fees. Bill says the chances of passage at the present time are not good.

I have advised the officers and staff of the WRA that we should conduct and pay for our own research efforts until such time as a center funded by all licensees would be in operation. I do believe that there are certain research problems that will always require that the WRA provide all or most of the funding. As you know, the National Association does not depend upon outside agencies, except under contract, to research the most vital matters concerning the real estate business.

I will relay to WRA the fact that you are able to expand your services.

I have in mind some matters that I would like to discuss with you in the near future. Thank you for your continuing interest.

Sincerely,

Louis R. de Coriolis

LdC/gt  
cc: Bill Malkasian



BROKER  PROPERTY MANAGEMENT  INVESTMENTS

# de Coriolis Realty



5033 W. NORTH AVENUE • MILWAUKEE, WIS. 53208 • (414) 445-2442

March 16, 1979

Craig E. Stanley, Assistant Professor  
Real Estate and Urban Land Economics  
Graduate School of Business  
University of Wisconsin  
1155 Observatory Drive  
Madison, Wisconsin 53706

Dear Mr. Stanley:

I appreciate receiving your letter of March 7th and that from Jim Graaskamp, of the same date. I will give Jim more information as to the specific status of the proposed legislation to establish a Wisconsin Real Estate Research Center to be funded by a portion of the fees of all real estate licensees. In spite of the economies Governor Dreyfus is pledged to put into effect, I think we should take an aggressive stance with respect to this important legislation. I believe we should mount an offensive at the legislative level and be prepared to make a strong presentation of the specific reasons why we support the passage of the legislation as soon as possible. For an industry as large, diverse and as complex as ours, we need more timely and detailed local marketing data to serve the needs of licensees. Expanded research efforts are needed to contribute to upgrading our continuing education programs in which all licensees must now participate.

I was particularly pleased to receive from you the "Wisconsin Working Paper" dated February 8, 1977, "An Econometric Model of the Milwaukee Metropolitan Area", by Barry M. Rubin, Rodney A. Erickson and Craig E. Stanley of the Graduate School of Business, University of Wisconsin - Madison.

You mention in your letter that you are currently working to add a housing development sector to the Milwaukee Econometric Model (MEM) which would help explain and forecast the level of housing starts. I suggested that we in Milwaukee and the National Association are interested in including in any forecasting model, data on existing home sales. For the Milwaukee area we will try to provide you with a machine readable data base on existing home sales from 1967 to date.



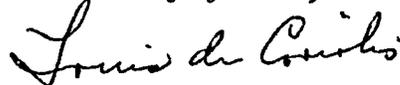
BROKER  PROPERTY MANAGEMENT  INVESTMENTS

You are aware that Ken Kerin and the National Association of Realtors Research Department propose to do pilot studies using a forecasting model in twenty to thirty Standard Metropolitan Statistical Areas (SMSA's).

You indicated that you would forward to me two additional copies of the Milwaukee Econometric Model which I will in turn forward to Ken Kerin in Washington and Harry Hartnett in Chicago.

For your use I am enclosing the January 17, 1979, "Real Estate Status Report" and the "1977 Existing Home Sales Summary", both of which were produced by the National Association of Realtors Department of Research, and the "1979 Housing Outlook", an excerpt from the March 1979 issue of "Real Estate Today", an NAR publication.

Sincerely yours,



Louis de Coriolis

LdC/gt

Enc.

cc: James Graaskamp, UW ✓  
Ralph Anderson, WRA  
William Malkasian, WRA  
Kenneth Kerin, NAR  
Harry Hartnett, NAR  
Edward Smyth, MBR  
Thomas Lindemann, MBR  
Dennis McGuire, MBR



WISCONSIN REALTORS® ASSOCIATION

Executive Offices:  
Suite 500  
16 North Carroll Street  
Madison, Wisconsin 53703  
Telephone (608) 255-9261

---

MEETING NOTICE

TO: WRA Research Committee--Louis de Coriolis  
Floyd Adashek  
John Hauser  
Michael Mike  
Vincent Barrett  
Victor Chou  
Jim Graaskamp  
Craig Stanley  
Norman Flynn  
Donald Johnson  
Tom Wheeler

The WRA Research Committee has been scheduled to meet as follows:

DATE: March 7, 1980 (Friday)

TIME: 10 a.m.

PLACE: The Concourse  
One West Dayton  
Madison, WI 53703  
(608) 257-6000

Please return the enclosed card indicating whether or not you will be attending.

Enclosed please find copies of the Bylaws and the Articles of Incorporation as developed by WRA's legal counsel.

ces

Enclosures

Wisconsin REALTORS Association  
Research Committee  
May 20, 1980  
WRA Headquarters  
Madison, Wisconsin

PRESENT: Louis de Coriolis, Michael Mike, Jim Graaskamp, Craig Stanley, and Mark Mendelson.

ABSENT: Floyd Adashek, Vincent Barrett, Victor Chou, Norman Flynn, and Donald Johnson.

Chairman Louis de Coriolis called the meeting to order at 2 p.m.

Discussion followed on the number of people per group to make up the Foundation's Board of Directors. The committee decided to make the President of the Association an ex officio member. They also decided to create another section, M/S/C to include in Section 2, under Article II, ". . . (iii) government, (iv) real estate related activities, (v) and 1 public member."

The committee chose the following people as nominees for the Research Foundation:

Real Estate Professionals--Louis de Coriolis  
Norman Flynn  
Robert Ripp

Education--Craig Stanley  
Michael Mike  
Lee Shilton

Government--Armand Riopelle  
William Perkins  
Ken McAdams

Real Estate Related Professionals--William Malkasian  
Thomas Neuhahr  
Allen Anderson

Public Member--George Mead (1st choice)  
William Hatcher (2nd choice)  
Max Karl (3rd choice)

The committee felt the WRA Board of Directors should decide on replacements for the Foundation, but any policy or research project decisions will be made by the foundation without approval of the WRA directors. The concern is a possibility of delaying any projects.

The committee showed concern over the absence of the IRS statement. This statement was found in the Articles of Incorporation. The committee further questioned where the purpose of the Foundation was to be stated.

It was decided by the committee to delete the last 3 lines of Article 6 and add instead "shall be approved by a 2/3 majority vote of those directors in attendance at the meeting.

Staff was instructed to send the bylaws and Articles of Incorporation to the committee for their questions. Another meeting was then to be set up with legal counsel invited to go over the bylaws and Articles.

The meeting adjourned at 1:30 p.m.

The next meeting is scheduled for June 30th at 1:30 p.m.

WRA RESEARCH COMMITTEE  
May 20, 1980

REAL ESTATE AND MARKETING

Tom Baker  
Louis de Coriolis\*  
Norman Flynn  
Russell Knetzger  
Thomas Neuhahr  
Robert Ripp\*  
Joe Rowland\*

EDUCATION

Craig Stanley\*  
James Graaskamp\*  
Dr. Bingham  
Floyd Adashek  
Michael Mike

GOVERNMENT

Rip Riopelle, Wisconsin Housing Finance Authority  
William Perkins, Department of Industry, Labor, and Human Relations  
Ken Lindner, Department of Administration  
Todd Berry, Department of Revenue

PUBLIC

William Malkasian, WRA Executive Vice President  
Max Karl, President of MGIC  
Allen Anderson, First Wisconsin  
Gordon Davidson, Northwest Mutual Life Insurance Co.

\*=See attached resume.



WISCONSIN REALTORS® ASSOCIATION

Executive Offices:  
4801 Hayes Road  
Madison, Wisconsin 53704  
Telephone (608) 241-2047  
In WI 1-800-362-7368

---

NOTICE OF MEETING

TO: Research Committee--Louis de Coriolis  
Floyd Adashek  
Vincent Barrett  
Victor Chou  
Norman Flynn  
James Graaskamp  
Donald Johnson  
Michael Mike  
Joseph Rowland  
Craig Stanley

A meeting of the WRA Research Committee has been scheduled  
as follows:

DATE: May 20, 1980 (Tuesday)

TIME: 1:30 p.m.

PLACE: WRA Headquarters  
4801 Hayes Road  
Madison, WI 53704  
608-241-2047

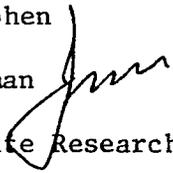
If you have any questions on how to find our office or  
if you cannot attend, please contact Chris Schultz at  
the number listed above.

Enclosed please find the new constitution and bylaws  
and material on the real estate market from National.

ces

Enclosures

M E M O R A N D U M

TO: Bernie Cohen  
FROM: Jim Hickman   
SUBJECT: Real Estate Research Center  
DATE: September 30, 1986

Several weeks ago you helped me respond to an idea under discussion within the Wisconsin Realtors Association (WRA). The idea was for the WRA to sponsor legislation to allocate part of realtors license fees to the support of a Real Estate Research Center at UW - Madison. In your response you pointed out the stern stand of UW - System against any independent legislative initiatives on behalf of UW institutions.

According to the letter that is attached from an officer of WRA, the chance of an independent legislative initiative by WRA is now close to zero. However, I feel that we should not run the risk of alienating an important business organization or overlooking a potential source of funding.

Because of the extreme delicacy of any action that even hints at an independent legislative initiative, it is important that communication among you, Jim Graaskamp, WRA and me not have static. Would you be willing to meet with Jim Graaskamp and me in my office to discuss the necessary conditions that must be fulfilled before the license fee allocation proposal, or some modification, can go forward? Perhaps, we should include Dallas Peterson and a WRA officer.

JH/l  
enclosure

bl xc: J. Graaskamp

cc: Lee Martinson

UNIVERSITY OF WISCONSIN REAL ESTATE DEPARTMENT

Land economics as a specific university discipline began on the University of Wisconsin campus under the leadership of Professor Richard Ely at the turn of the century. The Wisconsin program in land economics and real estate has remained at the cutting edge of education in land ethics, analytical technique, and improved definition of concepts, business opportunities, and social roles for the real estate industry. University of Wisconsin was the first program approved by the National Association of Realtors for a business major in Real Estate and Urban Land Economics, the first to offer an MS degree in real Estate Investment Analysis, the first to integrate the computer revolution into most aspects of operational real estate as well as the classroom, and the first to be a truly multi-disciplinary, holistic business field where the business was always judged by its contribution to the urban and social context. The Wisconsin Real Estate Program has always placed the emphasis on intensity of teaching, building a relationship between the faculty and student, and preparing the student with analytical skills that represent what the industry will need as much as five years into his future career. That tradition has created an Alumni Program of more than 900 members and every two years the Alumni return to campus for their own seminar, to teach each other what they are doing. In October of 1987 more than 350 Alumni participated and took over the entire Concourse Hotel, and it is generally believed the Real Estate Department is the only lower level department with its own Alumni organization, half time administrator, and ongoing Alumni chapters in major cities like Chicago, Milwaukee, Minneapolis, San Francisco, New York, Atlanta, Boston, Dallas and Los Angeles.

As Norman Perlmutter has pointed out in various publications, the Real Estate majors from Wisconsin appeared on the job market just as the industry realized the need for new skills, view points and sophisticated management science to help the industry change its traditional ways of doing business.

The department built this loyalty and financial support among Alumni because faculty were accessible to the students, innovative in the use of slides, computers, teaching aids to enrich lectures, and quick to encourage interaction between the classroom and the industry with field projects, guest speakers, and far ranging student club activities. A home room with lockers, a computer lab purchased by the Alumni, and referenced library data were concealed in the over crowded Commerce Building as a research office. Unfortunately, these simple relationships have been dispersed so that faculty are scattered into several buildings, the home room is hidden several blocks away in an old medical building, and the Chairman of the department shares his office with the Real Estate Club, the Alumni Director, and the departmental library. The creation of a new School of Business building provides the opportunity to unify the Real Estate Program into a single building area designed to accommodate research facilities, library resources, and a learning administration center. Unfortunately, the majority of our Alumni have graduated in the last five years because enrollments in the Masters program have moved from 30-35 students per semester to more than 100 students per semester during that time. While the Alumni maintain a steady series of annual contributions, many with matching grants, few if any are sufficiently mature in their professional careers to provide significant capital contributions for this once-in-a-lifetime window when capital can create a permanent departmental impact on building design. Three years ago the Alumni began a six-year campaign to raise endowment to support teaching with more teaching assistants, more assistant professors, more seminar leaders from the industry and have

reached the half way point with \$600,000 in cash including gifts by Heitman Financial Services and our Alumni working for Heitman. However, the new building calendar makes it imperative that we find \$450,000 for Real Estate Department facilities and equipment by the end of August to keep the project on schedule and preserve the right of the department to design its own spaces within the new building.

#### FACILITY NEEDS OF THE REAL ESTATE DEPARTMENT IN THE NEW BUILDING

The facilities development for the Real Estate Department will recapture the integration required for faculty/student interaction and provide for the next generation of teaching/research aids that were improvised in earlier creative years with smaller enrollments. Three major areas are intended within the floor space allocated to the Real Estate Department:

1. A LEARNING RESOURCES CENTER	BUDGET \$150,000
2. A RESEARCH RESOURCES CENTER	BUDGET \$150,000
3. AN INTERACTIVE ADMINISTRATIVE CENTER	BUDGET \$150,000
	<u>\$450,000</u>

1. THE LEARNING RESOURCES CENTER would occupy 1,500 square feet, more or less with a real estate reference library, periodical library, slide library carrel, and at least four networked mini computers with graphic and CAD capabilities. University budget cuts make it necessary for departments to purchase and catalog technical materials and periodicals at their own expense. A slide library of more than 10,000 slides and more than 100 VCR tapes are already available but not easily accessed by the students. Visuals such as TV tapes are an extremely efficient way of teaching about real estate, including construction elements, how to inspect a building for an appraisal, or visualize a master plan evolution. The Learning Center would provide compact storage, display, and equipment for use of slides, TV tapes, etc. A capital gift of

\$150,000 will finish the raw space as desired by the Real Estate Department, provide the equipment, and a modest endowment income for real estate periodicals and technical books.

2. A RESEARCH RESOURCES CENTER will focus on providing computer access to all the demographic and economic data which can be allocated to each county in the United States in order to build a data base that would provide direction for acquisition and disposition of properties and major portfolios. The research would convert statistical data into lead indicators as to rental and investment performance of different property types at a particular point in time or given the needs of a particular investment portfolio. Students would be able to work on a variety of research projects that would integrate economic base and growth characteristics of an area with expected marketing and investment performance, a proactive relationship which has never existed in real estate before. A research computer would be dedicated to building the data base over time and modeling local and regional factors that would presage real estate investment performance. The Research Center budget of \$150,000 would provide a research director's office, conference room, data and tape storage protection area and a number of work stations. About half the capital fund would be invested in the computer and its peripherals, including graphics and desk top publishing to distribute information to industry sponsors as quickly as possible.

3. THE INTERACTIVE ADMINISTRATIVE CENTER would regroup the Real Estate faculty, the Alumni administrator, the Real Estate Student Club officers and the teaching assistants and research assistants funded by the Alumni endowment campaign in a central pool. Standard offices of 120 square feet would be provided plus several meeting rooms for administrative and graduate seminars. The offices would have glass walls to maximize contact among all in the group and the offices would overlook glass walled areas for the Learning and Research Centers. Most important, there would be a major lounge area to provide real

estate students with lockers, coffee, and regular interaction necessary to create the esprit de corps that has created such a unique Alumni group for the department to date. In this case the \$150,000 budget is to buy a little more space in the building than the Real Estate Department was originally allocated so that we can have faculty offices adjacent to a student home room. This relationship is critical to the idealistic teaching philosophy of the department and the very pragmatic reality that financial support of future Alumni depends on establishing a strong bond between the student and an image of the department while the student is on campus. We would envision a frieze in the room identifying successful role models among previous Alumni and Alumni educators, formal listing of corporate sponsors of the real estate program, and bulletins on exciting projects and transactions in current news where our Alumni played a role.

In the past Wisconsin has always had the program while Whortman and MIT had the mystique. Each of those schools recently began programs by first investing in a symbolic physical place. University of Wisconsin program would like to make its own statement based on 20 years' service to the real estate industry in terms of human capital, new techniques and motivation to be a professional. University of Wisconsin has a proven record that is nearly 20 years ahead, but it will take our friendly competitors only three years to catch up if we don't keep innovating and improving at our usual rate. We need help from the midwestern pillars of the industry quickly or the opportunity loss will be immeasurable.

**UNIVERSITY OF WISCONSIN  
SCHOOL OF BUSINESS  
DEPARTMENT OF REAL ESTATE****MISSION STATEMENT FOR REAL ESTATE EDUCATION ENDOWMENT ACCOUNT #235**

The primary mission and pride of the University of Wisconsin Real Estate Program is to train undergraduate and graduate students in business for careers in real estate providing superior teaching, relevant techniques, and analytical viewpoints at the cutting edge of real estate asset management. A secondary mission is useful and relevant research as a service to the industry and the general public. Because State of Wisconsin resources are limited for the University of Wisconsin, even though taxpayers in the state contribute more toward education per capita than any other state, it is necessary and prudent to provide outside support for superior and efficient real estate instruction. To that end it is necessary to create a permanent endowment, the income from which can be used to fund teaching assistants, additional assistant professors and guest speakers from the industry to reduce student/teacher ratios and to best motivate good students to choose real estate careers. Good teaching ultimately attracts a fair share of the best young people to the real estate industry for both the private and public sectors. The emphasis on teaching assistants and assistant professors is quite different than traditional endowments which provide high salaries for big names and a little research to enhance the press image of a program. At Wisconsin, we believe well-trained, highly-motivated graduates will create the proper image for the University and its program.

Currently, the income from the endowment capital of \$600,000 totals a little more than \$50,000 annually and is used to finance two additional teaching assistants, an English instructor, and 16-18 guest lecturers from the industry who are each on campus for a minimum of one full day of lecture and discussion. Any surplus funds are used to support assistant professors in the summer to complete research and publication materials to improve their chances for achieving tenure as well as to enrich the content of their course materials. The ultimate goal is an endowment of \$1,300,000 so that each instructor will have at least one teaching or research assistant and so that we can attract an additional senior faculty member with a state salary enhancement to maintain the momentum of the program long after Professor Graaskamp retires. The teaching assistants and project assistants are in residence to become Ph.D.'s so that the endowment income contributes to the pool of future educators as well as to the pool of professional real estate talents trained in contemporary methods. We know these objectives are achievable because our methods have already graduated more than 900 M.S. students in real estate investment analysis and 15 Ph.D. students currently teaching real estate at the university level. The placement success of these alumni has caused a rate of

increase in enrollments in the Real Estate Program that has not been met with additional resources from the state. Therefore, it is necessary to fund the capacity privately for ever-improving quality despite increased enrollments. We believe that the real estate industry immediately benefits from the human capital represented by good people, well trained, and motivated to be productive real estate professionals so that an investment in an educational endowment is a pre-commitment fee to a pool of young talent for future real estate operations.

University of Wisconsin-Madison

1155 Observatory Drive  
Madison, WI 53706  
608/262-1550

April 6, 1988

Mr. Norman Perlmutter  
Chairman of the Board  
Chief Executive Officer  
Heitman Financial Ltd.  
180 North LaSalle Street, #3600  
Chicago, Illinois 60601

Dear Norman:

The enclosed materials will reinforce the discussions of our April 7th meeting in your offices. We appreciate the opportunity to make our first presentation requesting a major capital contribution for a Real Estate Department facility to someone as supportive of our program as yourself.

The Business School is under significant time pressure to meet a \$4 million pledge level in order to search for and select an architect. The Real Estate Department would gain significant leverage if we could gain an early commitment or pledge to accelerate the Business School schedule for development. The Real Estate Department gains a competitive edge in the definition of the Business School building plans that would benefit our program.

Thank you for allowing Bill Strang and me to make the presentation.

Sincerely,

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

JAG:JGK

Enclosures

PROPOSAL  
to  
HEITMAN FINANCIAL LTD.  
for support of  
NEW BUILDING, SCHOOL OF BUSINESS

APRIL 7, 1988

ABSTRACT

As an important part of the Campaign for Wisconsin, the UW-Madison School of Business is conducting a major capital gifts campaign. The School of Business, long recognized as a leader in public business education, business research, and outreach/public service activities, plans to raise a total of \$17 million in private funds to endow Professorships and to construct a new School of Business building.

This proposal requests that Heitman Financial Ltd. consider a grant that will provide \$150,000, payable over a five-year period, to dedicate an element of the new business school recognizing the company. At the choice of the Heitman Group, the section of the building to be associated with the company would be one of three units to be utilized by the Real Estate Department: a learning resources center; a research resources center; or an interactive administrative center.

CONTACT PERSONS

James C. Hickman, Dean  
(608) 262-1553

William A. Strang, Associate Dean  
(608) 262-1550

James A. Graaskamp, Departmental Chairman  
(608) 262-6378

Donald R. Gray, Director of Development  
(608) 262-8777

## INTRODUCTION

The University of Wisconsin-Madison needs a world class business school. Wisconsin, Midwestern, and national businesses, and future business students require no less.

Fortunately, the UW-Madison's business school is already nationally ranked. It can become better. The current campaign by the School of Business to raise a minimum of \$17 million, as an integral part of the overall \$180 million Campaign for Wisconsin, is a critical activity in our plans to improve the School. These private dollars augment, but are not intended to replace, traditional state funding in several ways: a) by providing endowments to enhance the teaching, research, and public service missions of the School; b) by purchasing needed equipment; and c) by helping to construct a truly outstanding facility appropriate to the quality of the University of Wisconsin-Madison.

Of the \$17 million goal, \$8 million is for the new School of Business building and \$9 million is for equipment and endowments. The Heitman Financial Group can be an important factor in achieving the goals for the new building and for the Real Estate program.

## THE UNIVERSITY OF WISCONSIN-MADISON REAL ESTATE DEPARTMENT

Land economics as a specific university discipline began on the University of Wisconsin campus under the leadership of Professor Richard Ely at the turn of the century. The Wisconsin program in land economics and real estate has remained at the cutting edge of education in land ethics, analytical technique, and improved definition of concepts, business opportunities, and social roles for the real estate industry. The University of Wisconsin-Madison program was the first one approved by the National Association of Realtors for a business major in Real Estate and Urban Land Economics, the first to offer an MS degree in Real Estate Investment Analysis, the first to integrate the computer revolution into most aspects of operational real estate as well as the classroom, and the first to be a truly multi-disciplinary, holistic business field where the business was always judged by its contribution to the urban and social context. As Norman Perlmutter has pointed out in various publications, the Real Estate majors from Wisconsin appeared on the job market just as the industry realized the need for new skills, fresh viewpoints and sophisticated uses of management science to help the industry change its traditional ways of doing business.

The Wisconsin Real Estate Program has always placed the emphasis on intensity of teaching, building relationships between the faculty and students, and preparing students with analytical skills that represent what the industry will need as much as five years into his/her future career. That tradition has created an Alumni Program of more than 900 members. Every two years the Real Estate Alumni return to the Madison campus for their own seminar, to teach each other what they are doing. In October of 1987, more than 350 alumni participated. The Real Estate Department is the only business school department with its own alumni organization, half time administrator, and ongoing alumni chapters in major cities like Chicago, Milwaukee, Minneapolis, San Francisco, New York, Atlanta, Boston, Dallas and Los Angeles.

## BACKGROUND ABOUT THE PROPOSED SCHOOL OF BUSINESS BUILDING

Public funding has traditionally supported academic building projects at the University of Wisconsin-Madison. That tradition will be continued in the new School of Business building as the state will provide about 70 percent of the funding (\$18.3 million). This will construct the core of the building--the basic classrooms and offices for instructional staff and administrators. But for the new building to be fully competitive with other leading business schools, it must provide much beyond the mere basics.

### The Broad Need

The current Commerce Building, constructed in 1954, is no longer adequate. Increased student interest, advancing technology, expanded outreach and service opportunities, and faculty research and program centers have grown beyond the capabilities and capacity of the Commerce Building.

The University has given us additional space, but the results are distressing. The main administrative offices and teaching classrooms remain in Commerce, but the library is in the basement of Bascom Hall, nearly half the faculty offices are scattered throughout Bascom, the outreach offices are situated in the Extension Building on Lake Street, and the real estate department's student use area is located in the vacated Infirmary building. Computer laboratories are crowded into former primary classrooms in Commerce, insufficiently solving one problem while creating others.

Current space and facility problems are reason for serious concern. For example, our "space per student" ratio is 50 percent below the Big Ten business school average; our library is described by the campus librarian as "woefully inadequate" and is a constant frustration for students and faculty; faculty and staff interaction suffers from office dispersion; parking for visitors is almost nonexistent; and the use of available technology through a modern business information center is deficient.

Still we remain an excellent business school. All the important components are in place--a dedicated faculty, creative administrators, outstanding students, nationally respected and recognized programs and departments, and a broad base of more than 22,000 alumni, many of whom are enormously successful. We are an integral part of the University of Wisconsin, unquestionably one of the finest public institutions of teaching, research, and public service in the world.

Nonetheless, we need a new home for these outstanding components. Fortunately, everyone agrees. Our new building is a priority with the legislature and the Governor. The state has agreed, in fact, to fund \$18.3 million for a basic new School of Business building provided that we raise an additional \$8 million to make it a truly outstanding facility--one appropriate to our current national ranking and consistent with our vision of becoming the best public business school in the nation.

### Private Funding for the Building

Private funding of \$8 million will give the building all the elements required to make it a truly outstanding facility:

- a special data-oriented, computer-based library and information center, tying together all of the campus library information sources and providing access to students, faculty, and the business community.

- a center of executive and management education programs using the latest in audio/visual technology, giving our continuing education customers access to the leading teachers in the country.
- offices for a variety of service-oriented programs focused on specific industries (e.g., Center for Real Estate Research), particular research topics (e.g., Center for the Study of Organizational Performance), or education programs (e.g., Center for Arts Administration).
- facilities for meeting with alumni and friends who work on behalf of the School's advisory boards.
- a well-equipped placement office, providing career-oriented materials and training to students and comfortable, appropriate facilities for business recruiters.

This building will incorporate leading-edge technology and be preeminent in providing effectively the needs of the business school and business community well into the 21st century. It will make the statement that business education is an important element of the UW-Madison campus mission. The building will be an asset in attracting students, faculty, and resource support in future years.

#### FACILITY NEEDS OF THE REAL ESTATE DEPARTMENT IN THE NEW BUILDING

The Real Estate Department has built great loyalty, including financial support among its alumni because faculty were accessible to the students, innovative in the use of slides, computers, teaching aids to enrich lectures, and quick to encourage interaction between the classroom and the industry with field projects, guest speakers, and far ranging student club activities. A home room with lockers, a computer lab purchased by the Real Estate Alumni Association and referenced library data were all crowded into the Commerce Building under the guise of a research office. Unfortunately, these simple relationships have been dispersed so that faculty now are scattered into several buildings, the home room is hidden several blocks away in an old medical building, and the Chairman of the department shares his office with the Real Estate Club, the Alumni Director, and the departmental library. The creation of a new School of Business building provides the opportunity to unify the Real Estate Program into a single building area designed to accommodate research facilities, library resources, and a learning administration center.

The facilities development for the Real Estate Department will recapture the integration required for faculty/student interaction and provide for the next generation of teaching/research aids that were improvised in earlier creative years with smaller enrollments. Three major areas are intended within the floor space allocated to the Real Estate Department:

A LEARNING RESOURCES CENTER	\$150,000
A RESEARCH RESOURCES CENTER	\$150,000
AN INTERACTIVE ADMINISTRATIVE CENTER	\$150,000

1. THE LEARNING RESOURCES CENTER would provide a real estate reference library, periodical library, slide library carrel, microfiche storage and display, and at least four networked mini computers with graphic and CAD capabilities. Graphic Power will permit the program to share the exciting research on digital mapping done by Professor Michael Robins with the students. University budget cuts make it necessary for departments to purchase and catalog technical materials and periodicals at their own expense. A slide library of more than 10,000 slides and more than 100 VCR tapes are already available, but not easily accessed by the students. Visuals such as TV tapes are an extremely efficient way of teaching about real estate, including construction elements, how to inspect a building for an appraisal, or visualize a master plan evolution. The Learning Center would provide compact storage, display, and equipment for use of slides, TV tapes, etc. A capital gift of \$150,000 will finish the needed space as desired by the Real Estate Department, as well provide equipment and a modest endowment income for real estate periodicals and technical books.

2. THE RESEARCH RESOURCES CENTER will focus on providing computer access to all the demographic and economic data which can be allocated to each county in the United States. The resulting data base will provide direction for the acquisition and disposition of real estate properties and major portfolios. This data base will give practical application to the powerful economic and demographic tools taught by Professor Dowell Myers. The research would convert statistical data into lead indicators as to rental and investment performance of different property types at a particular point in time or given the needs of a particular investment portfolio. Students would be able to work on a variety of research projects integrating economic base and growth characteristics of an area with expected marketing and investment performance, a proactive relationship which has never existed in real estate before. A research computer would be dedicated to building the data base over time and modeling local and regional factors that would presage real estate investment performance. A capital gift of \$150,000 would provide a research director's office, conference room, data and tape storage protection area and several work stations. A portion of the capital fund would be invested in the computer and its peripherals, including graphics and desk top publishing to distribute information to industry sponsors as quickly as possible.

3. THE INTERACTIVE ADMINISTRATIVE CENTER would regroup the Real Estate faculty, the Alumni administrator, and the teaching assistants and research assistants funded by the Alumni endowment campaign, and the Real Estate Student Club in a central area. We envision that the offices would have glass walls to maximize contact among all in the group and that the offices would overlook the Learning and Research Centers. Most important, there would be an area to provide real estate students with the regular interaction necessary to create the esprit de corps that has created such a unique Alumni group for the department to date. In this case, the \$150,000 budget is to provide added space in the building so that the Real Estate Department can have faculty offices adjacent to a student use area. This relationship is critical to the idealistic teaching philosophy of the department and the very pragmatic reality that financial support of future Alumni depends on establishing a strong bond between the student and the department while the student is on campus. We would envision a frieze in the room identifying successful role models among previous alumni and alumni educators, a formal listing of corporate sponsors of the real estate program, and bulletins on exciting projects and transactions in current news where our alumni played a role.

In the past, Wisconsin has always had the strongest program, while Wharton and MIT had the mystique. Each of those schools recently began programs by first investing in a symbolic

physical place. The University of Wisconsin program would like to make its own statement based on 20 year presence in the real estate industry in terms of human capital, new techniques, and motivation to be more professional. The University of Wisconsin Real Estate Department has a proven record that is nearly 20 years ahead of its imitators, but it will take our friendly competitors only three years to catch up if we don't keep innovating and improving at our usual rate. We need help from the midwestern pillars of the industry quickly or the opportunity loss will be immeasurable.

### RECOGNITION OF MAJOR DONORS

All businesses and individuals making gifts to the business school building campaign will be recognized for their gifts in a formal listing of contributors to be displayed in the new building. Major donors will have the additional opportunity for special recognition associated with specific elements of the building. The major donors to the Real Estate Department will have the option of being associated with any of the following units of the department:

The Learning Resources Center  
The Research Resources Center  
The Interactive Administrative Center

### CURRENT STATUS

We have already made progress on the overall building solicitation. Corporate and individual donors have given or pledged more than \$3 million of the required \$8 million. Heitman Financial Services is the first corporate entity approached on behalf of the Real Estate Department. We hope that you will support one of the proposed projects.

University of Wisconsin-Madison

1155 Observatory Drive  
Madison, WI 53706  
608/262-1550

April 8, 1988

Mr. Norman Perlmutter  
Heitman Financial Services  
180 North LaSalle Street, #3600  
Chicago, IL 60601

Dear Norman:

I enjoyed meeting you yesterday and getting a sense of your operations. It was very nice to see the relationship that Jim Graaskamp and our real estate program have established with Heitman Financial Services.

We are deeply appreciative of your willingness to support our real estate program and the business school with a gift of \$150,000 payable over five years, beginning in 1988. This will be of great help in further strengthening our real estate department and making Jim's work life simpler and more comfortable. We will be pleased to recognize your gift by identifying the Real Estate Research Resources Center with the Heitman name. You will gain some from that recognition, of course, but I expect we will gain even more from the association with a respected company in the industry.

To confirm the agreement, we will need a letter on your letterhead indicating your commitment, and understanding of our recognition of your gift when our facilities are in place.

We will look forward to inviting you and Les to our opening ceremonies, hopefully by 1991.

Sincerely,



William A. Strang  
Associate Dean for External Relations

WAS:jgk

cc: ✓ Jim Graaskamp  
Don Gray  
J. C. Hickman

P.S. I called our campus admissions office today to check on the status of Matt Oakmin and to see if we can encourage his admission. My personal contact there was unavailable because of an all-day meeting. I will call her again on Monday. Admissions decisions at the freshman level are not in the business school's hands. Mr. Oakmin seems like a young man destined to be successful and I'm sure we would be pleased to claim him as an alumnus in future years. I will write you next week on this matter.

April 9, 1988

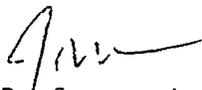
Mr. Norman Perlmutter  
Heitman Financial Services  
180 North LaSalle Street, #3600  
Chicago, IL 60601

Dear Norman:

Professional folks are not supposed to exclaim WOW when something very special happens, but nevertheless some of us in the provinces here in Wisconsin still think WOW!. Thanks so much for coming to our immediate help and giving us momentum on marketing the "last two units" of this co-mingled fund.

Bill Strang will take care of the details, but I will attend to providing you a generous return on the wonderful statement of report you and Lee gave our program.

With appreciation,



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

JAG:mjf

cc: Bill Strang  
Chicago Tax Study (sent under separate cover)

April 9, 1988

Lee Rosenberg  
Heitman Financial Services  
180 North LaSalle Street, #3600  
Chicago, IL 60601

Dear Lee:

Thursday was a beautiful day in Chicago with or without the sunshine because of your wonderful help in committing Heitman to our new real estate research center--The U.W. - Heitman Real Estate Research Center!

We will market the last two units of this series with a great deal of momentum as a result of your speedy commitment--one-stop close.

Up here in the provinces, we farm boys say thank-you with a WOW!

With appreciation,



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

JAG:mjf

cc: Bill Strang  
Chicago Tax Study (sent under separate cover)

TO: Bill Strang  
FROM: ~~Jim Graaskamp~~  
DATE: April 11, 1988  
SUBJECT: Second \$150,000 Module

We need an immediate package for mailing to Robert Kohl who will shepherd it through the Kohl Family Trust, although Robert will probably be the donor of record and should be treated as such on the documents. Can we get this mailed off by Wednesday morning?

VITAL DATA:

Robert A. Kohl  
Enviro-technics, Ltd.  
2300 N. Barrington Road, Ste. 525  
Hoffman Estates, IL 60195

Jon Hammes  
Trammel Crow Company  
11270 West Park Place, Ste. 500  
Milwaukee, WI 53224

Ballard Family Trust  
58 West 58th #4C  
New York, NY 10019

JAG:mjf