

JAMES A. GRAASKAMP COLLECTION OF TEACHING MATERIALS

IV. UW REAL ESTATE ALUMNI ASSOCIATION

H. Newsletters

3. U.W. Real Estate Alumni Association
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University of Wisconsin Real Estate Alumni Association NEWSLETTER

December 1977

Volume 1, Number 1

Editor's Note

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

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

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

Michael A. Rooney
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The Reunion

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Second, Doc DeHaven still plays a fine horn.

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

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

Regional Meetings

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

Financial Notes

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

Employment Notes

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

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

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

March 1978

Volume 2, Number 1

Editor's Note

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Directors' Reports

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Graduate Activity

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

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

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

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

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

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

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

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

As a pure investment alternative strategy, the six/eight flat project has many highly desirable features. While the stock market has declined over the past few years to such a position that in fact many people have lost money, the real estate market has been in a steady up-trend as of late. Combine this to the fact the C.D.'s only yield $7\frac{1}{2}\%$ over a six year term, one can see the reasons why the six/eight flat concept has reached such levels of appeal from an investment community hungry for quality investments.

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

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

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

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

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

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

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

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

Job opportunities currently available to my knowledge are as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial Notes

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

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

UNIVERSITY of WISCONSIN Real Estate Alumni Association

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Madison, Wisconsin 53719

July 1978
Volume 2 Number 2

EDITOR'S NOTE

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

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

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

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

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

UNIVERSITY of WISCONSIN Real Estate Alumni Association

School of Business
1155 Observatory Drive

Madison, Wisconsin 53719

July 12, 1978

Letter from the Chief

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

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

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

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

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

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

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

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

Placement opportunities

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Michael A. Rooney
8222 Jackson Park Boulevard
Wauwatosa Wisconsin 53213

Spotlight on the Professor

James Canestaro AIA

Age: 33

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

Master of Architecture
University of Illinois, August 1971

Master of Urban Planning
University of Illinois, August 1973

Currently enrolled in the doctoral program at
the University of Wisconsin

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

Family: Married with one son

Hobbies: Workaholic, photography and racketball

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

Most Memorable Book: The Man Called Intrepid

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

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

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

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

Grads on the Move

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

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

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

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

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

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

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

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

UNIVERSITY of WISCONSIN Real Estate Alumni Association

6402 Odana Road

Madison, Wisconsin 53719

August 15, 1978

Dear Fellow Alum:

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

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

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

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

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

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

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

Regards,



Jeff Davis
Chairman, 1978 Fund Raising Drive

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

February 1979

Volume 3, Number 1

Editor's Note

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

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

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

Notes From the Chief

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

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

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

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

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

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

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

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

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

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

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

Second Reunion

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

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

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

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

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

Notes from Alumni President, Steve Elpern

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

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

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

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

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

Alumni Activities

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

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

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

Placement Opportunities

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

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

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

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

Spotlight on the Professor

Craig Ellison Stanley

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

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

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

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

Quote:

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

Opinion on Students:

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

Spotlight on the Grads

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

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

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

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

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

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

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

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

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

Grads on the Move

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

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

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

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

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

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

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

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

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

November 1979

Volume 3, Number 2

Editor's Note

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

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

News from the Chief

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

A financial summary of the reunion extravaganza would be:

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

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

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

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

Letter from the President

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

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

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

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

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

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

Summary of the Seminar

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

Thursday - September 13, 1979

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

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

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

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

Friday, September 14, 1979

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

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

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

10:30-12:00 Noon - Profits in Rehabilitation
1. Tim Knittel, Phoenix, Downtown Residential
2. Brad Binkowski, Adaptive Reuse of Industrial Plant
3. Arun Bhatia, New York, Downtown Residential

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

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

How to Get Started in Rehab

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

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

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

Implementing a Rehab

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

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

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

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

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

Economic Advantages of a Rehab

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

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

Business Cycle Relationships

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Spotlight on the Grad

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

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

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

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

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

Grads on the Move

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

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

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

Job Opportunities

Two Real Estate Consulting Directors:

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

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

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

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

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

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

Vice President of Acquisitions for a Florida firm.

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

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

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

February, 1980

Volume 4, Number 1

Editor's Note

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

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

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

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

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

Letter from the Chief

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

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

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

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

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

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

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

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

Spotlight on the Professor

Richard B. Andrews

Age: 69

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

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

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

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

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

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

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

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

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

Spotlight on the Grads

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

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

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

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

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

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

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

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

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

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

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

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

Real Estate Tax Topics by Steve Jarchow

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

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

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

Grad's on the Move

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

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

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

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

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

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

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

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

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

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

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

The abbreviated resumes have the following format:

Name

Madison Address
Phone

Other Address
Phone

Graduate degree; Undergraduate degree

Job interests
Geographical preferences

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

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

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

Feasibility and market analysis
West

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

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

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

Development and brokerage
Southeast - Atlanta

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

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

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

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

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

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

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

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

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

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

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

Development and commercial brokerage
Central and Southern Florida

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

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

M.S. Real Estate - May, 1980

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

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

R.R. 1 Maple Hill
Winter, WI 54896

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

Computer applications to feasibility studies or investment analysis
Open

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

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

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

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

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

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

M.S. Real Estate - May 1980

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

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

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

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

Research and investment analysis
Pacific Northwest

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

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

Rehabilitation/redevelopment and appraisal
Open

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

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

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

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

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

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

Feasibility analysis, rehabilitation, and development
Midwest

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

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

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

Industrial/Commercial Brokerage, investment analysis
Chicago and the West

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

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

Feasibility and market analysis, research
Open

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

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

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

Banking, mortgage banking, and investment analysis
Open

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

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

Development, feasibility and investment analysis
Open, except for Midwest

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

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

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

Development, financial and feasibility analysis
Chicago/Midwest

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

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

M.S. Real Estate - May 1980

Development, financial analysis, and research

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

UNIVERSITY of WISCONSIN Real Estate Alumni Association NEWSLETTER

September 1980

Volume 3, Number 3

Business Matters

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

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

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

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

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

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

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

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

School Matters

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

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

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

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

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

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

Social Notes from All Over

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

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

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

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

Job Opportunities

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

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

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

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

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

February, 1981

Volume 4, Number 1

Editors Note

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

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

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

Notes from the Chief

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

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

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

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

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

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

Job News

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

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

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

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

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

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

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

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

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

Spotlight on the Professor

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

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

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

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

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

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

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

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

Rod Matthews' Statistics are:

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

July, 1981

Volume 4, Number 1

Editor's Note

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

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

News from the Chief

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

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

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

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

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

Job News

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

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

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

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

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

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

November, 1981

Volume 4, Number 2

Editor's Note

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

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

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

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

Comments From The Chief

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

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

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

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

Alumni Award For Distinction

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

Letter from the Alumni President - Roger J. Juszczak

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

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

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

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

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

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

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

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

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

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

News from the Minnesota Region - Dianne M. Orbison

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

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

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

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

News from the Wisconsin Region - Mary Buczynski

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

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

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

Grads on the Move

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

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

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

Job Opportunities

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

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

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

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

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

February, 1982

Volume 5, Number 1

Editor's Note

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

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

Letter From The Chief

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

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

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

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

News From The Minnesota Region

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

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

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

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

Grads On The Move

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

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

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

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

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

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

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

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

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

NEWS FLASH!!!!!!!

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

October 1, 1982

Volume 5, Number 2

Editor's Note

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

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

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

News From The Chief

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

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

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

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

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

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

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

News From The Minnesota Region

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

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

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

Grads On The Move In Minnesota

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

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

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

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

Grads On The Move

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

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

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

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

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

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

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

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

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

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

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

Job Opportunities

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

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

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

University of Wisconsin Real Estate Alumni Association NEWSLETTER

February 15, 1983

Volume 6, Number 1

Editor's Note

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

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

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

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

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

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

Letter From The Chief

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

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

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

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

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

REIL COMMENTARY:

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

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

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

What A "West Point" is

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

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

It May Already Exist

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

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

Graduate Program Better

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

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

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

Strong Ties With Industry

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

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

Mostly Required Courses

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

The Alumni Network

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

Separate Identity

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

High Standards

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

Go For It

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Grads on the Move In Minnesota

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

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

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

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

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

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

Grads on the Move and In The News in Wisconsin

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

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

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

Job Opportunities

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

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

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

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

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

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

News From the Chicago Region:

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

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

Other News About Alumni

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

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

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

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

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

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

or

Roger Juszczak
Westcor
11411 North Tatum Boulevard
Phoenix, Arizona 85028

UNIVERSITY of WISCONSIN Real Estate Alumni Association NEWSLETTER

DECEMBER, 1983

Seasons Greetings:

ALUMNI SEMINAR AUDIT

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

REAL ESTATE CLUB

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

JOBS

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

JOBS (Continued)

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

LOST SOULS

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

BIG DEALS

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

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

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

REPORT FROM THE PRESIDENT

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

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

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

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

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

Best wishes of the season,

Roger Juszczak

Westcor, 22422 N. Tatum, Phoenix, Arizona 85028

BOARD OF DIRECTORS OF REAL ESTATE ALUMNI ASSOCIATION

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

REAL ESTATE ALUMNI ON UW BUSINESS SCHOOL ADVISORY BOARD

Roger Juszczak, Phoenix, Arizona

Allen Anderson, Dallas, Texas

UNIVERSITY of WISCONSIN Real Estate Alumni Association NEWSLETTER

August 1984

Volume 8, Number 2

NOTES FROM THE CHIEF

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

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

SCHOLARSHIPS

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

SCHOLARSHIPS (continued)

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

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

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

*one semester grant

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

PLACEMENT OPPORTUNITIES

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

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

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

Alexander Enterprises, Inc.
RECRUITMENT & SEARCH

July 23, 1984

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

Dear Jim,

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

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

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

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

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

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

Must possess good business sense.

Well-developed people skills.

Possess entrepreneurial creativity.

A team-player.

Well-organized.

Analytical and attentive to detail.

Must be willing to travel approximately 60%.

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

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

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

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

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

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

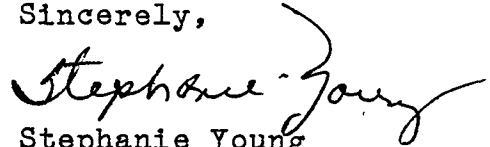
- 3 -

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

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

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

Sincerely,


Stephanie Young

SY;sg

UNIVERSITY OF WISCONSIN
REAL ESTATE ALUMNI NEWSLETTER
DECEMBER, 1984

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

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

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

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

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

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

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

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

SCHOOL OF BUSINESS
UNIVERSITY OF WISCONSIN-MADISON

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

FALL 1984

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

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

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

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

POSITION POSTING

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

POSITION RESPONSIBILITIES:

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

REQUIREMENTS:

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

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

10/30/84

MIKE KELLY

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

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

November 15, 1984

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

Dear Jim:

Thank you for the sample of the school newsletter.

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

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

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

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

Sincerely,


Mike Kelly

UNIVERSITY OF WISCONSIN

REAL ESTATE ALUMNI NEWSLETTER

JUNE, 1985

ALUMNI REUNION TRAVEL DISCOUNT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MIT vs. WISCONSIN included in Exhibits G & H.

Exhibit A

DOWELL MYERS

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

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

Personal: Married, no children

AREAS OF INTEREST

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

EDUCATION

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

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

B.A. Anthropology, Columbia University, 1972.

EXPERIENCE

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

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

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

Research

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

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

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

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

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

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

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

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

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

AWARDS AND
RECOGNITION

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

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

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

Dowell Myers--3

UNIVERSITY OF
TEXAS COMMITTEES

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

AUSTIN AREA
ASSOCIATIONS

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

PROFESSIONAL
ASSOCIATIONS

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

EDITORIAL SERVICE
AND REVIEW WORK

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

PUBLICATIONS

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

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

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

PUBLICATIONS
(Cont'd)

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

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

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

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

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

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

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

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

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

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

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

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

PUBLICATIONS
(Cont'd)

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

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

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

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

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

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

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

Graaskamp & Matthews
222 Commerce

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

TEXTS:

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

GRADES:

Classroom Assignments 50%

Takehome exam on some aspect of the course. 50%

WEEK ONE

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

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

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

Afternoon small group preparation:

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

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

WEEK TWO

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

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

Wednesday June 5 Richard Babcock
Class day 9-4

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

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

WEEK THREE

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

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

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

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

UNIVERSITY OF WISCONSIN REAL ESTATE ALUMNI
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(212) 355-4810

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Roger J. Juszczyk
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Professor James A. Graaskamp
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(612) 936-4460

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

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

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

General Growth Companies

GENERAL GROWTH DEVELOPMENT • GENERAL GROWTH MANAGEMENT

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

May 15, 1985

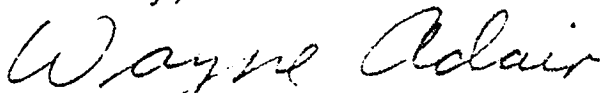
Mr. James A. Graaskamp
Chairman, Real Estate and
Urban Land Economics
University of Wisconsin School of Business
1155 Observatory Drive
Madison, WI 53706

Dear Mr. Graaskamp:

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

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

Sincerely,



Wayne L. Adair
Vice President, Administration

pmg

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

214 / 748-0944

April 10, 1985

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

Dear Jim:

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

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

The individual we seek will be responsible for managing the department, ensuring adequate review of potential projects, and generating and servicing commercial underwriting activities within an \$800 million Dallas based savings and loan. The position reports to the President and will serve as a member of the Management Committee. The individual will have a staff reporting to him. The current portfolio is approximately \$190-200 million. Representative credits would include industrial buildings, warehouses, strip centers, some apartments and some joint venture (equity participation) projects - all commercial nature. Over the past year the client has developed a fair number of new customers. Approximately 2/3 of the portfolio is in the Metroplex area with the remaining 1/3 in selected target markets.

The successful candidate must possess "good real estate sense". This must be supported by strong technical qualifications and knowing how to structure a loan agreement. This will include credit evaluation. The underlying premise and thought will be "How do we get our money back?". He will recognize and emphasize a high quality of service. He will move quickly to develop a close working relationship with his contemporaries and with his customer base. Importantly, he will demonstrate an ability to show good judgement on the deal.

Ideally, we would like to find an individual from the Metroplex or Southwest market. A principal thrust will be to attract new customers with both open ended construction loans and construction loans with take-outs. A heavy concentration of these activities will fall in the \$2-5 million range but projects up to \$20 million will be considered. Principal responsibilities will include:

HAYMAN & CO.

Page 2

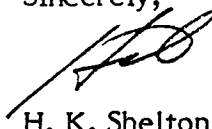
- Provide overall management direction to the Commercial Real Estate Lending area inclusive of lending officers and support staff.
- Oversee and evaluate credit quality and select projects for which commitments will be made.
- Develop a close working relationship with developers and ensure that the department provides a high level of quality service.
- Continually develop prospective projects to be financed and new developers to work with.
- Interface with other financial institutions to arrange for participations as required.
- Develop new concepts or proposals for project financing - both interim and permanent.
- Assume responsibility for special projects as requested.
- Serve as a member of key committees.

The personal characteristics of the individual are important to his success in the organization. Integrity and a sound ethical code are basic. Maturity, a high energy level, persistence, a positive attitude, and a people touch are a necessity. He will be bright, candid but not blunt, and achievement oriented. He must be a good communicator with excellent written and verbal skills. He will also be tough, fair, and objective in his evaluation of business and personnel problems. He will have outstanding conceptual and analytical skills and be a team player who possesses those characteristics generally attributed to a leader. He will know a good business or real estate risk and be willing to accept the risk.

Candidates will possess at least a bachelor's degree in an appropriate discipline. An advanced degree in finance, accounting, economics, etc., would be helpful though not a necessity. Ideally, the candidate's experience will have been gained in an institution highly regarded for its performance in the real estate field over recent years. Preferably, it will be a larger institution known for its development of people, ability to attract desirable customers, sound credit policies, and overall image in the marketplace.

Jim, we are looking at a compensation package which includes a base salary in the \$100,000-125,000 range.

Sincerely,



H. K. Shelton

HKS:cr
Enclosure

First Savings Corporation

Margaret P. Pan
President

A Subsidiary of
Citicorp Savings of Illinois
A Federal Savings and
Loan Association

March 8, 1985

One South Dearborn Street
P.O. Box 444
Chicago, Illinois 60688
(312) 977-5665

Dr. James A. Graaskamp
University of Wisconsin
School of Business
Room 118
1155 Observatory Drive
Madison WI 53706

Dear Professor:

As you know, within the last year, Citicorp Savings of Illinois had hired a number of graduates from the real estate program to work on our inherited service corporation portfolio. However, even with this addition to our staff, we find that we are still in need of the caliber of resources that UW's program provides.

Our work entails managing accounts ranging from real estate owned to joint venture investments, with the objective of minimizing losses/maximizing values. Our portfolio is oriented towards workouts: single family land development, property management, and working closely with joint venture partners. At least one to five years experience in the real estate field is preferred. Additionally, we are seeking an appraiser whose main function will be to review outside appraisals; a designation is not required, although we would prefer at least two years experience.

Please circulate this in your March, 1985 Real Estate Alumni Newsletter. Those interested may contact:

Account Manager Position

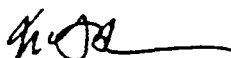
Larry Gress
Human Resources Department
Citicorp Savings of Illinois
P.O. Box 4444
Chicago IL 60680

Appraiser Position

Richard Lex
Citibank, N.A.
Real Estate Industries Division
399 Park Avenue
Floor 9, Zone 12
New York NY 10043

Thanks very much.

Best regards,



cc: Richard Lex, MAI
Larry Gress

February 1985

Brian Dumaine
Fortune Magazine
Time & Life Building
Rockefeller Center
New York, New York 10020

Re: "Master Developers," page 49, Fortune, February 4, 1985

Dear Mr. Dumaine:

Once again the mystique of Ivy League schools has caused Fortune to confuse plywood signs announcing future accomplishments with substantial performance on a firm contract. The University of Wisconsin School of Business has offered an MS degree in Real Estate Investment Analysis since 1964. We presently have over 700 MS alumni throughout the real estate development industry including most major development firms.

Cash flow analysis on computer for real estate began here at Wisconsin in 1965 and has been integrated into virtually every course since the early 1970's. Marketing research also began here as a specific real estate subject area. The definition of feasibility analysis for real estate -- well, the University of Wisconsin faculty wrote the book on it, literally. Urban Land Economics began at the UW at the turn of the century because of the Wisconsin concern with the relationship of political institutions and land use. We still teach the politics of real estate--even have a course called Real Estate Encounters to stress negotiations, management of public hearings, and courtroom presentations.

One thing we haven't done is charge corporations \$5-10,000 for the right to talk to us, use our books, drink our coffee, or sit in our classrooms. Instead, our students pay charter buses to visit the leading developers on site several days each semester. Placement depends on superior technique, rather than the old school tie, so for twenty years we have been teaching students how to apply computers to real estate problems rather than "firing them up" as to the potential.

In education as in real estate there is still a difference between master promoters and master craftsman. But then, the same is true of publishing.

From the provinces,

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

JAG/db

February 15, 1985

Ms. Mary Rae
1271 Avenue of the Americas
1829 A Fortune
New York, NY 10020

Dear Ms. Rae:

In response to your phone call with regard to my objection to the Massachusetts Institute of Technology (MIT) article, we are providing some additional materials that will hopefully demonstrate that we teach development and not just finance. Enclosed you will find:

1. An article on the development process which characterizes the basic framework of the Wisconsin approach, and the first of the monographs in the Development Component Series (DCS) for the Urban Land Institute (ULI).
2. A letter to be held in confidence written to a ULI member from a concerned major development firm and forwarded to the ULI Education Committee. This letter expresses the same concerns I was attempting to communicate to you in our phone conversation regarding the type of program considered most relevant to the training of developers. After all, Wisconsin has graduated over 700 persons who are now in the real estate development and finance game and MIT has yet to graduate one from its development program.
3. Our alumni roster, from which you can locate graduates who are achieving executive status and professional recognition. From our first graduates 20 years ago, four are already members of the Real Estate Counselors (CRE).
4. Course syllabi, particularly the development courses 554, 555. Each development course has a detailed field problem in which the student must analyze the physical constraints and requirements before searching for design solutions that are financially viable. One cannot teach finance without teaching about the space-time product to be rented or sold.
5. A current program brochure of courses and degrees offered.

Ms. Mary Rae
Page Two
February 15, 1985

6. A preliminary curriculum reorganization for 1987. Note that Real Estate Financial Institutions 551 would become a required core course. Financing from the developers viewpoint would be integrated into a development workshop course of five credits each semester. We have already introduced the Intersession course on Real Estate Encounters.

Teaching development requires a continual interplay among the physical elements of construction, the economics of urban development, the politics of entitlement, the methods of marketing, as well as general management and finance. Other universities combine real estate with finance and insurance in a single department. Wisconsin has traditionally recognized real estate as an individual department and our instructors have always represented a variety of disciplines. The hype given MIT is not based on performance, and we take umbrage at your classification of our program as financial. I am a member of the Board of Trustees of ULI, and as a member of the Education Committee I am very much involved in the introduction of an unbiased treatment of development in university curriculums.

At Wisconsin we have a faculty who are knowledgeable, prideful, and committed to professional education for real estate development; thus we are exasperated with a misinformed press, probably responding to the political network of the East Coast Establishment.

Sincerely,

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

jtc

Enclosures



Dianne Orbison, Alumni President
Mutual Service Life Insurance Company
P.O. Box 64035
St. Paul, MN 55164

University of Wisconsin Real Estate Alumni Assoc., Inc.
Room 118 • School of Business • 1155 Observatory Dr. • Madison, WI 53706

ALUMNI NEWSLETTER

WOW - WHERE TO BEGIN?

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

October Alumni Seminar

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

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

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

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

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

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

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

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

Alumni Association Reorganization

The letterhead on this newsletter reflects reorganization of the Real Estate Alumni Association and the election of Dianne Orbison as President. A letter from Dianne is enclosed as part of this information package.

Alumni Capital Endowment Fund Program

The Alumni Reunion Banquet was the kick-off for an endowment fund campaign to raise \$1,350,000 over the next three years to support and expand the teaching resources of the real estate program. The campaign is co-chaired by Stuart Ackerberg and Tom Klein. Suffice it to say that the goals are to raise \$600,000 from Alumni, \$600,000 from Industry, and \$150,000 from foundations. At the Alumni Banquet 205 Alumni formally pledged \$249,289 of individual gifts, of which \$70,490 was due in 1985 with the balance over the next two or three years. If we continue to average pledges of \$1,500 for three year payment we will meet our goals from Alumni by 200%. In addition corporate pledges for \$25,000 each were received from Dillon Inn Corporation (Roger Doehring) and Wells Fargo Advisory Corporation (Frank Petri and Peter Hitch). In addition our guest of honor, Claude Ballard and his wife Mary, contributed \$7,500 from the Ballard Family Foundation. He received the Wisconsin Real Estate Alumni Award for Distinguished Service to the real estate industry, but he did Wisconsin far more honor by accepting it, contributing to the program and then sending the letter enclosed. We thought his marvelous letter should be shared with all of you.

Each of you will be contacted by a fellow Alumnus to deliver a detailed packet of materials on the plans for these funds. In addition, you will learn how to obtain an Alumni Association button, a prism of Universal Real Estate Problem Solving Techniques to replace the crystal ball, and walnut plaques representing your mentors, Ely, Ratcliff, Andrews and Chief.

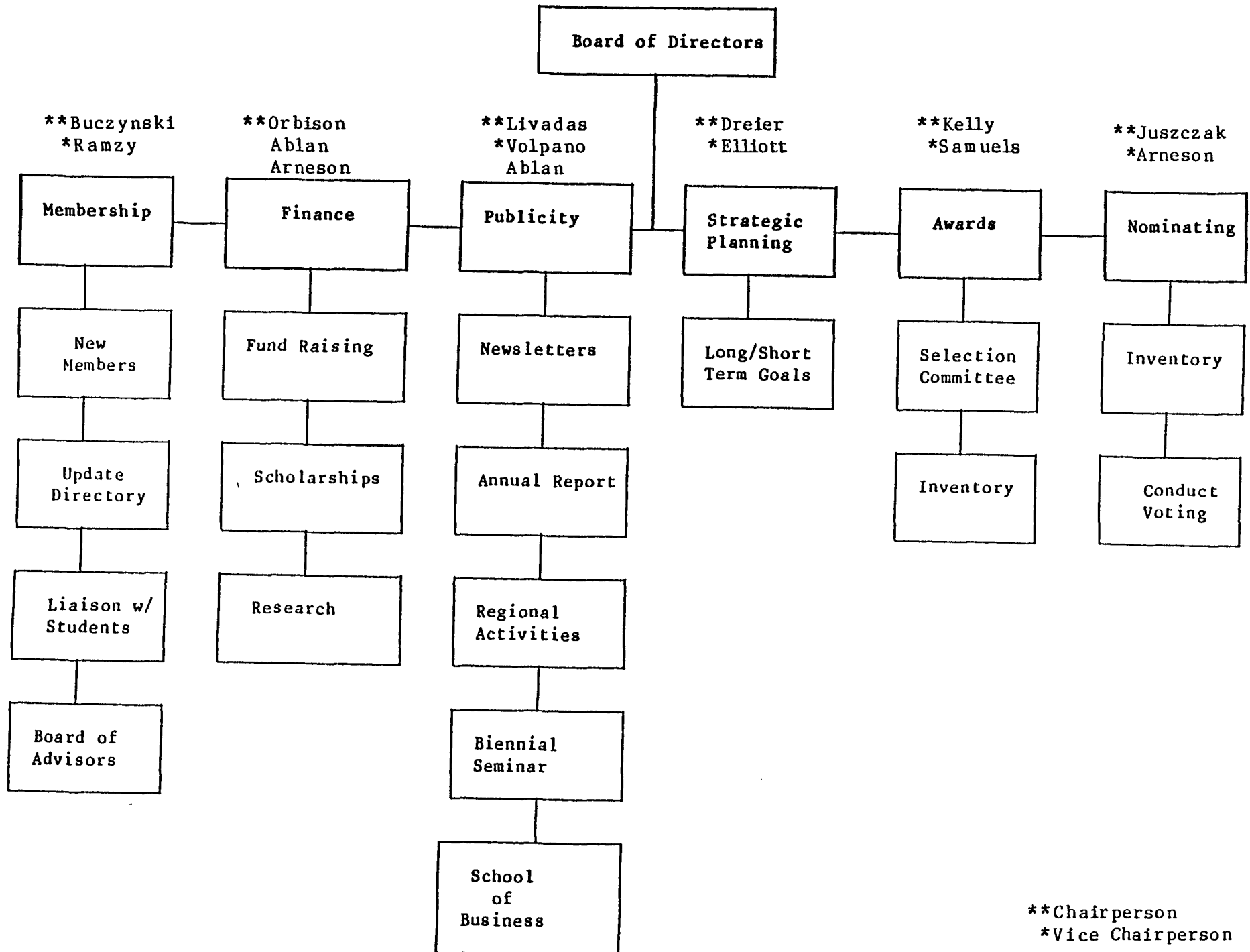
Computer Software

You will be receiving news from Mike Young of Ahlaes and Young Information Systems, Inc. relative to their micro-computer systems for IBM, Compaq, AT&T, and Wang micro-computers. Purchases by Alumni or as a result of Alumni efforts will result in a 10% rebate to the Alumni Association.

Report from the President

As the Chief has indicated, the biennial alumni seminar was a success due to the efforts of many people. It will be a challenge to plan an even better seminar two years from now.

The day before the seminar, the Board of Directors met to discuss the issues and activities of the Association. The by-laws were revised to more adequately serve the Association. One of the key changes was to shorten the directors terms of office from six to four year staggered terms with half of the Board up for reelection during the years of the biennial seminars. The directors also are chairing six committees which facilitate the activities of the Association. The six committees with underlying responsibilities and designated directors are listed as an exhibit to this newsletter.



The Association with its growing membership, desire for excellence, and future plans needs additional help on these committees. Many of you have offered your support in the past, but the Association was not capable of fully utilizing your help. It is now in a better position to do so and more than ever needs your support. If you would like to serve on a committee, contact the appropriate director/chairpersons. Also, if you want to serve as a director or officer of the Association, contact Roger Juszczak or Mike Arneson who chair the nominating committee.

A \$1,350,000 endowment fund drive was kicked off at the seminar. The fund, managed by the Wisconsin Foundation, will be used to maintain the quality and enrich the curriculum of the Wisconsin real estate program. Within the next several weeks, you will receive a brochure describing the fund. When you consider making your pledge, I hope that you will remember the quality of your education, the professional network of which you are a part, and the pride of being associated with the University of Wisconsin real estate program. To help track the pledges made during the three year drive, Stacy Dibbell, Madison, Wisconsin, is serving as Endowment Coordinator.

The concept of an additional endowment fund, beside the University of Wisconsin real estate endowment, was explored to fund certain items not permitted by the University of Wisconsin and the Wisconsin Foundation. Considerable research of the concept has led to the conclusion that it is infeasible. Alternatives are being explored to achieve the other funds objectives.

When you opened your newsletter, a bright pink envelope probably caught your attention. The pink envelope has become a tradition at this time of the year. It is used to generate contributions for account #199. Whereas the endowment is a fund to enrich the real estate program, account #199 provides for \$8,000 of student scholarships and the operating budget of the Association. This account pays for such operating items as newsletters, postage, and alumni address lists.

In lieu of \$50 dues, your tax-deductible contribution to this fund will provide the funds necessary for the student scholarships and operating budget.

It may seem that this newsletter differs from past newsletters in that it is filled with a lot of discussion concerning charitable contributions. The reason for this is the recognition of a goal by many that we must maintain and enhance the University of Wisconsin Real Estate Program. We are at a crossroads in regard to the future of the program. Your support is needed. During the next four years, I look forward to helping the association achieve this goal.

Employment Opportunities

A number of high level management positions available that were reported to us following the Alumni Reunion have been copied and attached to this newsletter.

WISCONSIN REAL ESTATE ALUMNI ASSOCIATION, INC.
BOARD OF DIRECTORS

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Expiration

Term
Expiration

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President

1989 Dianne M. Orbison
MSI INSURANCE
Box 64035
St. Paul, MN 55164
(612) 631-7472

Claude M. Ballard
Partner

Goldman
Sachs

October 28, 1985

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

Dear Jim:

What a delightful and moving experience! All those fine young people with such camaraderie and dedication.

As a most interested, grateful observer and honoree, from the bottom of our hearts, Mary and I thank you, Jean and all your fine colleagues both in and now out of "The Program". Please convey to them our best wishes.

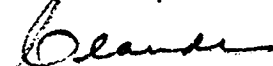
I cannot help but say I've never seen anything like it. For a first class of seven, only in the work force twenty years, and all those young men and women, many who must still be repaying loans for their education and supporting growing families, the response was overwhelming. In my judgment the magnificent number far more than seven. It was a tremendous tribute to you and what you've accomplished. My hat's off to you, and I was very proud to be a part of it.

Enclosed you will find our family foundation's check for \$2,500 for the first year's pledge. You will be pleased to know we operate on a November 30 fiscal year so will be in a position to complete the next third by the end of this calendar year, with the final third being available late within calendar 1986. Only a crazy Wall Streeter could squeeze three years into about 13 months.

As an "Honorary Member". I hope you will permit me to stay involved.

Again, many, many thanks for an experience we shall always cherish and never forget.

Warmest personal regards.



CMB:ssw