Graaskamp Center Key Facts

**Top Ranking.** Wisconsin consistently ranks among the top three real estate programs in the country.

**Challenging Curriculum.** Our curriculum is the most comprehensive of any real estate program in the country, made possible by the depth of our faculty and the breadth of our expert team of lecturers. The Applied Real Estate Investment Track Program (AREIT), a unique track within the Real Estate MBA, is the first program of its kind in the country, providing a team of MBA students the opportunity to manage a $600,000 portfolio invested in REITs.

**Dedicated Staff.** The center and department have an involved and experienced staff that provides individual attention to the needs of students, alumni, board members, and employers. The staff takes on critical responsibilities to carry out the outreach mission of the program.

**Outstanding Job Placement.** Top companies regularly recruit talented students at Wisconsin who are ready to hit the ground running.

**Unique International Opportunities.** The center now offers the most in-depth international experience of any real estate program in the country. Both first-year and second-year MBA students participate in study trips abroad giving them the opportunity to learn firsthand about current issues in international real estate.

**Strategic Partnerships with Industry.** Students and faculty are connected with top-level professionals in industry through the center’s board of advisors. The center also engages the larger real estate community by developing academic and executive education programs that meet the needs of the industry today and well into the future.

**Active Alumni Network.** Program graduates stay involved long after graduation. The Wisconsin Real Estate Alumni Association is a strong and active network of more than 1,600 professionals, playing an active role in networking with students, as well as participating in class lectures and projects.
Dear Center Members, Alumni, and Friends:

It’s my pleasure and honor to write you for the first time as academic director of the James A. Graaskamp Center for Real Estate. After five years in the position, my friend and colleague Tim Riddiough has stepped down to take a sabbatical leave. The leave will allow him to focus on research and the development of new course materials.

Our center and our Real Estate program owe much to Tim’s efforts over the past few years. Among his many accomplishments, Tim spearheaded the development of our 2004 center strategy that upgraded and redirected the center. Tim also oversaw the development of the new MBA curriculum in which our old MS became an MBA, combining the deepest real estate curriculum of any MS or MBA in the world, with a new and improved MBA core curriculum that gives our graduates a much deeper understanding of how to manage a business enterprise. Tim also worked with lecturers and faculty to develop new curricula in areas like international real estate and green development, and redirected and strengthened the Applied Real Estate Investment Track (AREIT).

These substantive accomplishments required new resources—human and financial. Let me discuss each in turn. Tim was instrumental in hiring Kris Hammargren, our new senior associate director, and Alison Zuba, our center program associate, to complement long-time center stalwart Lee Gottschalk, our associate director of outreach. Along with our new executive director, Michael Brennan, we now have the administrative backbone needed to carry out our expanded activities and deliver best-of-class programs to students and board members.

In today’s world we have to be proactive in recruiting top graduate students, assisting them with placement and giving them appropriate advice in between those bookends. Associate Director of Career Services Sharon McCabe, under Tim’s direction, has taken on increased responsibility within the center for these activities.

And that’s not all—we worked closely with several of you to carry out a national search for a center executive director. We’re very excited that Michael Brennan has recently joined us. Michael’s background and new roles are described in greater detail elsewhere in this report, but we’re very pleased at the deeper connection Michael affords us to the center board, and the other leaders of the real estate industry.

We also have exciting news on the faculty front. Professor Abdullah Yavas, a world leader in real estate economics and finance, has just joined us. Abdullah comes to us from Penn State, where he was the Elliott Professor of Business Administration and the research director of the Institute for Real Estate Studies. And in January, Erwan Quintin will join us from the Federal Reserve Bank of Dallas. You’ll find out more about these outstanding scholars and teachers elsewhere in this annual report.

Now, with our new hires, myself, Tim Riddiough, François Oltala-Magné, our esteemed department chair (whom the university just promoted to full professor), and Murray Davis, we have what I believe to be the strongest real estate faculty in the world. Joined with our terrific administrative team, and cadre of superb lecturers — Sharon McCabe, Peter Ritz, Joe Walsh, Tom Landgraf, Barry Perkel, Arif Qureshi, Michael Johnson, Michael Dubis, and David Shulman—we have the scale and quality to deliver the most innovative research, the best lifetime learning, and the highest level of service in real estate.

But human resources don’t come free. Another of Tim’s accomplishments as academic director has been to put in place the financial plan that enables us to carry out our program and center strategies. The most notable piece of the puzzle, of course, has been funding the center, first through spearheading the Capital Campaign, supported by so many of you, that allowed us to name the center for our renowned teacher James A. Graaskamp, and secondly, through strengthening board membership.

Success breeds success. Recognizing our program as one of the school’s leaders, Dean Michael Knetter and the university have further augmented our resources. Notably, it was university resources and funds from the Wisconsin Naming Partnership that enabled us to hire Abdullah Yavas and Erwan Quintin.

Important challenges remain. Many of us are facing reduced resources and other difficulties in the teeth of the worst economy since the Depression. Student placement, faculty to develop new curricula in areas like international real estate and green development, and redirected and strengthened the Applied Real Estate Investment Track (AREIT).

We are well placed to do this, because of our past and current research on house price fundamentals, real estate financial markets, and links between real estate markets and the aggregate economy. We produced the Wisconsin Foreclosure and Unemployment Relief Plan to address the increasing wave of foreclosures tied more to unemployment than to past subprime lending mistakes. We’ve worked to highlight the underappreciated connections between the regulatory environment for real estate development and the house price volatility that underlies the crisis. Not least, the center focused much of our last board meeting on high-level discussions of how different real estate submarkets were affected.

We, like you, have much to do going forward. We’ll be studying this seismic event for years. This academic year, the center will co-sponsor a pair of related research conferences with the Atlantic and Chicago Feds that will greatly leverage our own resources, for example. And our full board meeting will again provide sophisticated and nuanced discussion of the state of the real estate and capital markets, a strategic look at human capital in real estate enterprises, and a big-picture view of the U.S. geopolitical situation. Personally, I don’t believe we’ll ever eliminate the real estate cycle, but if we take the right lessons to heart, we can certainly mitigate it.

“Under all, the land” said our famous forerunner, Richard T. Ely. The American and global economies will recover, and real estate—the largest tangible asset in any economy, the underpinning of half our financial system, and, most importantly, the place we shelter our families and meet to work or unwind—will play its part in that recovery. Really, this is our time. I’m confident that the James A. Graaskamp Center for Real Estate—that means you, the board members, alumni, faculty, staff, and students—will step up and play our part in the recovery and the better days ahead.

Sincerely,

Stephen Malpezzi
Academic Director
The James A. Graaskamp Center for Real Estate at the Wisconsin School of Business began as the Institute for Research in Land Economics, established in 1920 by Richard T. Ely, one of the founding fathers of the discipline. Through the years, the center has fostered excellence in real estate education, research, and outreach through community and professional partnerships.

In 2007, the Center for Real Estate was renamed in honor of a legendary figure in real estate education at Wisconsin, the late James A. Graaskamp. Graaskamp, affectionately known as “The Chief,” was a passionate teacher known for his devotion to students and intellectual curiosity. He believed strongly in close links between theory and practice, and that real estate education required breadth as well as depth in preparing students to be industry leaders.

The center’s main goal is to serve as a link between the real estate faculty and students, alumni, the real estate professional community, governmental agencies, and the general public. Its responsibilities include administering the Wisconsin MBA program in Real Estate, the Wisconsin Real Estate program as the world leader in real estate education, and transforming them into competent, creative, and collaborative professionals prepared to be leaders in the real estate industry.

Center Mission
- To attract top-quality MBA students and transform them into competent, creative, and collaborative professionals prepared to be leaders in the real estate industry.
- To build and retain an extensive member base of real estate industry leaders through our Board of Advisors.
- To preserve, promote, and support the philosophy of the Wisconsin tradition of excellence in real estate education.

Center Core Values
- Depth: Apply logic and analytical tools to develop a thorough understanding of relevant issues and problems.
- Breadth: Comprehend interconnections between issues and processes which, when combined with competent technical analysis, leads to sound business decision making.
- Leadership: To provide an environment and culture that instill leadership principles and the development of leadership skills.
- Diversity: Seek a broad array of people and experiences that enhance the overall learning experience.

About the James A. Graaskamp Center for Real Estate

Leadership Changes for the Center

In May, Michael Brennan joined the Graaskamp Center as executive director. He is co-founder and former president and CEO of First Industrial Realty Trust, and former president and partner of The Shidler Group (where he also hired many Wisconsin students and alumni for both internships and full-time positions). With more than 25 years experience in real estate investment and analysis, he is an industry expert on industrial real estate, appearing on CNBC, CNN, and Bloomberg Television.

As executive director, Michael is working to take the Graaskamp Center to a new level. His mission is to represent the center in the real estate community and to lead its quest to provide best-in-class lifelong learning opportunities to real estate professionals. His appointment is a critical step forward in the center’s efforts to establish the Wisconsin Real Estate program as the world leader in real estate education.

Also new to the center is Kris Hammargren as senior associate director. She manages center operations, with a special emphasis on marketing initiatives. Kris has a wealth of experience in business development and marketing in a range of industries, including publishing, retail, and banking. She has a BS from Minnesota State University-Mankato and an MBA from Georgetown University.

Steph Malpezzi, professor and Lorin and Marjorie Tiefenthaler Distinguished Chair of Real Estate, is now the new academic director for the Graaskamp Center. He has an outstanding background as an educator, researcher, and administrator. He joined the faculty of the Department of Real Estate in 1990 and served as department chair from 2002 through 2008, tying Jim Shilling for the post-Graaskamp record for service.

Steve also helped design the Wisconsin School of Business’ new undergraduate curriculum that not only strengthens communications and computer skills, but increases international offerings across the school’s curriculum and moves admission to the business school from the junior to the sophomore year with a more holistic admissions process.

As of June 30, 2009, Tim Riddough, professor and E.J. Plesko Chair of Real Estate and Urban Land Economics, stepped down from the center academic director position and will be on sabbatical for the 2009-10 academic year. He served as the center’s academic director since 2004. With support from several board members serving on our Real Estate Policy Advisory Committee (REPA) and other real estate faculty, Tim developed an outstanding strategic plan which served as a road map for the Capital Campaign to name the center. Based on the success of the campaign, the center was renamed in honor of the late Professor James A. Graaskamp in April of 2007.

Michael Brennan, as executive director, is working to take the Graaskamp Center to a new level. His mission is to represent the center in the real estate community and to lead its quest to provide best-in-class lifelong learning opportunities to real estate professionals. His appointment is a critical step forward in the center’s efforts to establish the Wisconsin Real Estate program as the world leader in real estate education.

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The MBA Program in Real Estate

Wisconsin real estate graduates are uniquely prepared to excel in the industry. A comprehensive foundation of real estate and finance principles, practical hands-on learning, and global perspective place graduates at a competitive advantage. The two-year MBA program offers a multi-disciplinary approach to real estate with about half the total coursework in real estate and half in high-level business courses such as finance, accounting, management strategy, and leadership. Required real estate courses include finance and investments, urban economics, international real estate, advanced real estate finance, real estate capital markets, techniques in real estate valuation, and a contemporary topics course. The capstone seminars in the second year expose students to a wide range of high-level cases and concepts.

Many courses include hands-on projects, and most students are required to participate in two international study trips to learn about real estate in other countries and cultures. We believe that students not only must be rigorously trained in real estate fundamentals and analytical techniques, but also must acquire skills in critical thinking, leadership, and enterprise management.

The center and the department recently added new “Green Development” modules at the graduate and undergraduate levels, shifted MBA urban economics course, and introduced stronger analytics including deeper training in Excel, VBA, and ARGUS. Our curriculum is the most comprehensive of any real estate program in the country and is made possible by the depth of our faculty and an expert team of lecturers who have a wealth of experience working in the real estate industry.

REAL ESTATE: TWO MARKETS

- Space Market... For the usage (or to sell) “real property”.
- Asset Market... For the ownership of “real property”.

ARGUS Training Incorporated into Core Curriculum

Over the past several years, the Wisconsin Real Estate program has been taking steps to evolve with the profession by tooling up our students with cutting-edge technical skills, with a special emphasis on learning ARGUS. ARGUS training is now a core curriculum requirement for real estate undergraduate and first-year MBA students. Joe Walsh, faculty associate, is currently leading the ARGUS training initiatives within the Wisconsin Real Estate program, with assistance from Arif Qureshi, lecturer in the Department of Real Estate. Potential employers, including our alumni and board members, emphasize that ARGUS Software skills are critical for our students because most commercial real estate careers as analysts, so being able to use ARGUS Software as the platform for analysis is a valuable skill that competitively distinguishes them,” says Walsh.

Note: As of April of 2009, ARGUS Software, Inc. has made a valuable donation of their standard-setting commercial real estate software solution to the Graaskamp Center. MBA students will benefit from using this software as a real-world tool for modeling commercial real estate cash flows, values, and deal structures. We thank ARGUS for generous support of Wisconsin real estate. We also want to thank the WREAA for financial support of the program’s ARGUS training initiatives.

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YEARN ONE CURRICULUM

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YEARN TWO CURRICULUM

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*REAL ESTATE ELECTIVE LIST
(at least 1 course from this list):

- Real Estate Law
- Commercial Real Estate Development

ADMISSIONS

Admission to the Wisconsin MBA program in Real Estate is highly competitive. We attract high-quality, diverse students from across the United States and around the world. In total, 34 students are currently enrolled in real estate, making it one of the largest specializations within the business school.

Class of 2010 Profile

- Enrollment: 17
- Average GMAT: 665
- Average years of professional experience: 5.8
- Women: 29%
- Minorities: 18%
- International: 12%

Class of 2011 Profile

- Enrollment: 17
- Average GMAT: 666
- Average years of professional experience: 4.1
- Women: 24%
- Minorities: 12%
- International: 6%
The Applied Real Estate Investment Track (AREIT)

**2008-09 PERFORMANCE**

For the 2008-09 academic year, David Shulman, former managing director and head REIT analyst at Lehman Brothers, again served as assistant director of the AREIT Program. Shulman is also a visiting professor in the Department of Real Estate.

Two second-year students, Ivo Hrosinkov (MBA '09), and Lee Christensen (MBA '09), actively managed the AREIT fund. As of June 30, 2009 the AREIT fund had $623,653 after a withdrawal of $36,500 for annual administrative expenses.

Reflecting on the students’ performance for the academic year, Shulman says, “In the most volatile REIT market in history, AREIT portfolio manager Lee and his outfit formed their benchmark (RMZ Index) by a very large 493 basis points after the initial presentation.

“For the 2008-09 academic year, approximately $113,000 was awarded to graduate students through the center in the form of recruiting scholarships, fellowships, and program assistantships. Financial assistance is a critical ingredient in drawing top students to the real estate program. Donors know that their support attracts high-caliber students, ones who will make excellent alumni and future business partners.

The center is committed to providing financial support to as many students as possible for at least a portion of the time they are enrolled. For the 2008 academic year, all our real estate MBA students received some form of support. Thanks to generous donations, we are now offering more project assistant positions than ever before. Students who obtain these positions receive full tuition, benefits, and a stipend and, in turn, work about 10 hours a week for the center.

**AREIT Fund Balance Since 1999**

* Funds reflect $115,000 payment for 2004-07 and $36,500 in 2008 for administrative costs.

![AREIT Fund Balance Since 1999 chart]

**FINANCIAL SUPPORT**

More than 70 people, including scholarship donors, student recipients, faculty, and staff, gathered at the Fluno Center on May 4 for the Wisconsin Real Estate program's scholarship breakfast. This special annual gathering provides an opportunity to recognize donors for their generous support and to honor student scholarship recipients.

The event also recognizes the impact of scholarships on the lives of the students who receive them and gives students a personal opportunity to thank those who support them.

At this year’s breakfast, students received 14 scholarships and five awards for an impressive total of $30,500 in financial support. Chris Dicks, executive director of the Wisconsin Real Estate Alumni Association (WREA), presented three scholarships on behalf of the WREA: the Dianne Olbison Memorial Scholarship, the WREA Scholarship, and the Real Estate Club Leadership Award.

The event also recognizes the impact of scholarships on the lives of the students who receive them and gives students a personal opportunity to thank those who support them.

We wish to convey a heartfelt thank you to our scholarship and award donors for their generosity. Your contributions provide critical support to the Wisconsin Real Estate program, as well as financial support for undergraduate and graduate students majoring in real estate.
Student Awards and Enrichment

The Real Estate MBA offers a wealth of opportunities for students to develop real estate experience and leadership in and out of the classroom through participation in case competitions, student and industry organizations, and business conferences and events.

First-Year MBAs Compete in the 2008 National Real Estate Challenge Hosted by the McCombs School of Business

A team of five first-year MBA students competed in the 2008 National Real Estate Challenge, hosted by the McCombs School of Business at the University of Texas at Austin. Team members Erik Aukland, Tom Gershman, Stephanie Lentz, Tanner Mueller, and Eric Yao jumped at the opportunity not only to tackle the complexities of a major real estate development deal, but to promote the Wisconsin Real Estate program among leaders in business and academia.

The team was advised by Tim Riddiough, with assistance from Morris Davis, Steve Malpezzi, and Sharon McCabe. In November of 2009, the team flew to Austin to compete against real estate MBAs from top universities around the country. Wisconsin presented against Harvard, UT-Austin, UNC, and USC. Though they didn’t win the competition, the Wisconsin presentation, entitled “Stealing Home,” a baseball metaphor illustrating the high-stakes nature of the development deal, was well received by the judges.

MIT/UW-Madison Team Takes $50K Prize in 2009 ULI Design Competition

Competing against 99 university teams from across the U.S. and Canada, a plan designed by second-year MBA student, Eric Komppa, and his teammates from MIT’s School of Architecture and Planning, was selected as the winning plan in the 2009 ULI Gerald D. Hines Student Urban Design Competition, a graduate-level competition providing an interdisciplinary learning experience for real estate and design students. The winning team received a prize of $50,000.

“This competition was a great real world but risk-free exercise in figuring out what works financially, socially, and environmentally. The biggest challenge for the site was developing the appropriate phasing scheme such that the current tenants can stay in operation without impacting accessibility and parking requirements. We were able to find a compromise between profitability and creative design,” Komppa said. “Representing our program in the finals and ultimately winning was truly an unbelievable honor. I know we would have made Professor Graaskamp proud.” In true Wisconsin spirit, Komppa donated a portion of his prize to the Graaskamp Center.

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OTHER ENRICHMENT ACTIVITIES

François Ortalo-Magné, professor and chair of the Department of Real Estate, led three second-year real estate students to AFIRE’s Winter Conference held on February 11-12, 2009 in New York. The Association of Foreign Investors in Real Estate (AFIRE), a not-for-profit association of international real estate investors, represents nearly 200 investing organizations from 21 different countries. Ortalo-Magné and the Graaskamp Center also conduct AFIRE’s annual global investment survey.

David Shulman, assistant director of the Applied Real Estate Investment Track (AREIT), led our AREIT students, Ivo Hrosinský (MBA ’09), and Lee Christensen (MBA ’09), in attending the National Association of Real Estate Investment Trusts (NAREIT) Annual Convention held in San Diego, Calif., and the Citigroup REIT conference in Naples, Fla.

At the beginning of the academic year, students participate in an orientation program to get to know faculty, staff, and returning students. With the recent naming of the Graaskamp Center for Real Estate, this year’s orientation included a special focus on James A. Graaskamp and his unique philosophy and holistic approach to real estate. The incoming MBA class also met with local alumni at a reception co-sponsored by the WREA and participated in the “Badger Dash,” with teams of MBA real estate students racing to locate various historic spots on campus.
Wisconsin's history of international expertise and activity sets it apart from other real estate programs. That longevity has led to unparalleled business and academic connections affording students exceptional global networking opportunities. The international trips are now a required component of the real estate MBA curriculum and students often cite the trips as a highlight of their MBA experience.

Annual MIPIM Conference Results in Unprecedented Collaboration with MIPIM Organizers

In March, a group of first-year real estate MBA students traveled to Cannes, France, to attend MIPIM, the premier international real estate conference in the world. The 16 students were led by François Ortalo-Magné, professor and department chair, and Sharon McCabe, faculty associate and associate director of the Graaskamp Center.

This is the fourth year Wisconsin MBA’s have attended the conference and this year’s participation marked an unprecedented level of collaboration between the Wisconsin group and the organizers and executives of MIPIM to help them deliver an improved experience to conference attendees and, at the same time, greatly improve the visibility of our program. With the industry suffering from the global economic crisis, attendance at this year's conference was down from the usual 29,000 in previous years to less than 20,000 in 2009. Because fewer firms were sending representatives, those participating sent a greater proportion of top executives. From large presentations and networking events to small group discussions, Wisconsin students had an array of opportunities to hear from leading trend makers in the global real estate market and initiate international connections. Ortalo-Magné arranged for the students to join several unique small group discussions with international real estate executives, and they also had an active role in documenting the invitation-only Mayors’ Think Tank roundtable, which featured both mayors and other leaders from many European cities and around the world.

The conference concluded with a keynote discussion with international real estate and capital markets. Second-year MBA Alicia Board and Raymond Cheng, CEO of Chiaphua Group, a leading real estate executive whose company is interested in developing a real estate project in Vietnam, discussed the challenges associated with developing in an international real estate market as well as their plans to form a joint venture for development. The trip’s focus on practical application, the group met with several experts on the Southeast Asian real estate market and the opportunities and profit opportunities.

Wisconsin Real Estate MBA students arrived in Singapore on January 8, 2009 ready to take in the sights and sounds of one of Asia’s most cosmopolitan cities. The group of 12 students embarked on a 10-day excursion through Singapore and Vietnam, eager to gain a unique perspective on the Asian real estate market and the opportunities and challenges associated with development in these two rapidly growing Southeast Asian cities.

The trip began its adventure by touring downtown Singapore, taking in the diverse architectural styles and stark juxtaposition between old-world, open-air markets and towering, western-style office and retail complexes. Many students were struck by the scale of urbanization and number of new development projects in the Singapore’s central business district. Not only do multi-tower condominium, retail and mixed-use projects abound, but additional landfill is also being imported to create new project sites on the city’s already densely-developed shoreline. During their visit, the group also met with representatives from Ernst & Young, who discussed the tax implications of doing business in Singapore, and the opportunities in its real estate market. The group was also treated to a driving tour of the city, visiting both old-world, open-air markets and high-rise office towers.

One of the highlights of the trip was meeting with Raymond Cheng, CEO of Chiaphua Group, a leading real estate executive whose company is interested in developing a real estate project in Vietnam. During their meeting, the group discussed the challenges associated with developing in Vietnam, and the opportunities and profit opportunities.

The opportunity to travel to Singapore and Vietnam offered students not only the chance to compare real estate development processes in Asia and the United States, but to explore two very different regional markets. Second-year MBA Alicia Board recalled, “The contrast between Vietnam and Singapore set the stage for a phenomenal experience that I will never forget. In addition to challenging my thoughts about the real estate process, the trip made me think long and hard about how to develop construct buildings within the larger context of growing an economy.”

By Stephanie Lentz (MBA ‘11)
MBA Career Services and Job Placement

Real estate MBA students have access to a wide variety of resources to support them during the internship and job placement process.

These areas of support are powerful tools in matching real estate students with potential employers:
- MBA Career Services Office
- Access to Graaskamp Center staff for one-on-one, personalized attention
- Real Estate Club (including the Career Fair and Résumé Book)
- Access to alumni connections and an extensive employment database available through the Wisconsin Real Estate Alumni Association (WREAA)
- Access to board members through center events and board meetings
- Real Estate Mentor Program

CLASS OF 2009 JOB PLACEMENT
Placement is down in our program, as it is throughout our industry. To give our students an edge during the recent tough economic times, the Wisconsin Real Estate program and the Wisconsin Real Estate Alumni Association (WREAA) launched the new “Wisconsin Internship Initiative” to encourage our alumni and students a start on their careers. Several opportunity, even if unpaid, to give our students an edge during the recent tough economic times, the Wisconsin Real Estate program and the Wisconsin Real Estate Alumni Association (WREAA) launched the new “Wisconsin Internship Initiative” to encourage our alumni and students a start on their careers. Several opportunity, even if unpaid, to give our students an edge during the recent tough economic times, the Wisconsin Real Estate program and the Wisconsin Real Estate Alumni Association (WREAA) launched the new “Wisconsin Internship Initiative” to encourage our alumni and students a start on their careers.

CLASS OF 2009 SALARY STATISTICS
(Permanent Placement)
Average Base Salary: $65,250
Average Signing Bonus: $3,750

2009 SUMMER INTERNSHIPS
Although internships are not required for students to graduate with an undergraduate or MBA degree in real estate, the Wisconsin Real Estate program has a long history of students obtaining excellent work experience and applied skills through their internships.

Almost all students in the Class of 2010 obtained internships, which is impressive given the current challenges in the real estate industry. The average salary was $4,174. Students interned at the following companies:

- The Alexander Company
- AccuVal Projects
- Bank of America
- D&G HYP AG (Europe)
- Horizon Development
- Hoede Properties
- Institute for Sustainable Communities
- Kennedy and Associates
- Milestone Assisted Living
- Rockrose Development Corp.
- Sears Holding Company
- Tulepan Management, LLC
- Wangard Partners
- Hoede Properties
- Wells Fargo (Commercial Real Estate Group)

Graaskamp Center and WREAA Launch New Mentor Program

With a vast pool of successful alumni and an enthusiastic group of MBA students with a wide range of industry interests, the Graaskamp Center and WREAA found a way to bridge the two groups with a new mentor program that connects MBA students with alumni mentors who share their career interests.

The idea for a mentor program has been in the works for several years and finally received full attention last spring with motivation from a group of MBA students. Second-year MBA students Matt Wachter and Tim Bruss helped conceptualize the program by exploring similar ones at peer universities and designing a web-based survey for students and potential mentors that would help match industry and location interests. Wachter brainstormed with Gary Dreher, principal at TOLE Development Company and president of WREAA (Wisconsin Real Estate Alumni Association); Chris Dicks, executive director of WREAA; Sharon McCabe, faculty associate and associate director at the Graaskamp Center; and Shari Crivello, vice president at Colliers Bennett & Kahnweiler, to develop the framework and implementation plan for the new mentor program.

Dreher calls the program a “huge benefit for students,” and something he wished he would have had access to as a student. McCabe, who facilitated the program and mentor matches, said the new program has inspired many alumni to get involved. “The program just clicked with people,” she said. “It got so many responses from alumni, many of whom weren’t previously involved.” Alumni who graduated 30 or more years ago are participating, as well as recent MBA grads. According to McCabe, the mentor program provides two great benefits to the Wisconsin Real Estate Program—it helps alumni to stay connected to the program and it helps connect students to the real estate industry.

Mentors can also provide inspirational advice about how to break into a certain industry. Jihad Alaily, a first-year MBA student who hopes to start his own development company, shares an interest in working in a Wis. market with his mentor Jake Griswold, vice president of development at Pabst Farms Development Inc., in Oconomowoc, Wis. “We talk about the challenges of becoming a developer,” Alaily said of his e-mail conversations and lunches with Griswold. “He understands that I want to be an entrepreneur in real estate and is helping me to identify an angle I can pursue.”

The insight and contacts Alaily has received through the mentorship program have given him direct access to the real estate working world, he said. “They are networking opportunities, which otherwise can be very hard to find on your own.”

After completing its first year, the new mentor program was a great success and had about 40 mentor and mentee matches, one to cover every MBA student and some undergraduates.
Industry Connections

Prominent developers, consultants, and other industry leaders come to campus to speak in classes throughout the academic year. This provides students with a forum to interact with and learn from real estate professionals and alumni.

E.J. Plesko Distinguished Speaker John Gates
Presents on “Learning, Earning, and Returning”

John Gates, chairman and CEO of PortaCo and former Graaskamp Center board member, told an audience of real estate students, faculty, and alumni at the E.J. Plesko Speaker Series presentation to consider the latter halves of their professional careers as an opportunity to give back. The returning phase, as Gates called it, has been the most rewarding part of his 26-year real estate development career.

“This is a phase I think real estate people have far more to contribute than most people,” Gates said, referring to building development expertise. “We are very needed.” Now in his returning phase, Gates is involved in philanthropic activities by sharing strategies with organizations that are planning large building projects.

Twenty years ago, Gates started building his expertise in what he calls the earnings phase. He built an industrial properties company, CenterPoint Properties Trust, of Illinois, said. “If they trust you, you can get a long way.”

Once the business had capital flow, Gates made strategic decisions that eventually led to CenterPoint’s success. Perks, like a company gym and daily chef-prepared meals, motivated employees to stay with and invest in the company. “You’ve got to make your business a place where employees are both proud to work and have a lot of fun,” he said.

Pinpointing the company’s place in the market was also key. “We had to become the best at something,” Gates said, “and we decided we’d be best at adding value to the industrial real estate market in metropolitan Chicago.” CenterPoint stayed in the Chicago area, and as a result, developed a devoted clientele through trustworthy recommendations from existing clients. CenterPoint also placed importance on governmental relationships to maintain a good reputation in the name of taxes and incentives. “We made it a priority to get along with government,” Gates, who once worked for the governor of Illinois, said. “If they trust you, you can get a long way.”

The stock thrived, quadrupling in 10 years. The company sold to CalPERS, the California Public Employees’ Retirement System, for $50 a share, a few years later. Life was going great for Gates. “I had pretty much the best of everything,” Gates said. “I was living the life of luxury with excellent living and working conditions.”

At the same time, however, Gates was ready to move on. “I took on the role of executive chairman and entered the returning phase,” he revisited friendships and partnerships he’d built up over the years and explored his favorite non-profit groups.

Gates realized that many of the organizations had a lot to do with real estate. “A lot of the companies were really real estate companies in drag,” he said, “Seventy-five percent of their assets are in bricks and mortar and land.”

Gates offered his expertise and strategy to these companies, who he said were terrific at their missions, but knew very little about the assets of their organizations. He came to the aid of health care and education organizations, offering advice for crumbling or mismanaged building ventures.

“Prominent developers, consultants, and other industry leaders come to campus to speak in classes throughout the academic year. This provides students with a forum to interact with and learn from real estate professionals and alumni.”

With a strong foundation, the company went public in 1993. At first, the results were not ideal. The stock immediately fell 20 percent. The problem, Gates said, was that most people had never been to a warehouse or thought of investing in one. “We were not what the stock market was looking for.” Eventually, though, he said, Wall Street became acquainted with the company and invested for its earnings growth per share.

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“The E.J. Plesko Distinguished Speaker Series in Real Estate Development features developers who embody the “Wisconsin tradition” in their spirit, imagination, entrepreneurial skills, and enthusiasm for improving the quality of our built environment. Two years ago, the Speaker Series was funded by a gift from developer E.J. Plesko, a Graaskamp board member and president of E.J. Plesko & Associates, a real estate development and management company based in Madison.

Plesko said, “Gates and his attention to giving back to the community, is a true example of the speaker series’ goal.”
Industry Connections

The center gratefully acknowledges the prominent developers, consultants, and other industry leaders who contributed their time and talent to supporting the Real Estate program over the past year. These interactive forums provide students with unique opportunities to learn from real estate professionals and alumni.

GUEST SPEAKERS

Todd Ambs, Wisconsin Department of Natural Resources
Lois Armstrong, RICS
Richard Arneson, Stone House Development, LLC (MS ’82, BS ’80)
John Bergh, Siegel Gallagher
Natalie Bock, Alexander Company
Richard Bugovitch, Focus on Energy
Jim Bradley, Home Savings and Loan
Mike Conaghan, Newry Capital Group (MS ’81)
Ian Coshead, UW-Madison, Center for Southeastern Asian Studies
Dawn Crius, UW-Madison Chancellor’s Office
Curt Culver, AGIC (MS ’75, BA ’74)
Mike Dean, Marcus & Millichap (BS ’85, BBA ’82)
Paul Delong, Wisconsin Department of Natural Resources
Steve Doran, Lee & Associates (BBA ’03)
Kelly Edwards, Oakbrook Corporation
Richard Ellis-Capital Markets
Dave Emerich, Raymond Management
Dave Beck Engel, Findorff Construction
Greg Uhen Eppstein, Uhen Architects
Randal Stark, Wisconsin Department of Natural Resources
Paul Pingrey, Wisconsin Department of Natural Resources
Kathryn Plominski, City of Madison Alcohol Policy Coordinator
Bob Polk, USDA Forest Products Laboratory
Richard Rideout, Wisconsin Department of Natural Resources
Ed Ruckwregel, City of Madison
Steve Sisbach, Wisconsin Department of Natural Resources
David Stark, Stark Company Realtors
Randal Stark, Wisconsin Department of Natural Resources
Becky Steinboll, Goodman Community Center
Tim Stormer, McGann Construction
Jack Toliver, CMBS Group
Christian Williams, Investment Properties CB
Amanda Willson, UW Credit Union (BBA ’06)
Mary Wright, Johnson Bank
Chris Zander, Raymond Management

Craig Hugentobler, Real Estate Dynamics & TRIO Development (MS ’84, BS ’77)
Mike Kendhammer, Suby von Hayden and Associates
Aaron Kostichka, McGarre Construction
Wayman Lawrence, Esq., Foley & Lardner, LLP
Gregg McManners, Monona Terrace Community and Convention Center
Tom McMullen, Chestnut Hill Land Company (MS ’73)
Detective Marion Morgan, City of Madison Police Department
Brad Murphy, City of Madison
Detective John Musser, City of Madison Police Department
Mark Olinger, City of Madison
Brad Olson, Atlantic Partners
Lori Ostendorf, Wisconsin Department of Natural Resources
Sharon McCabe, associate director of the Graaskamp Center and faculty associate, serves as the club’s faculty advisor.

Real Estate Club members meet frequently throughout the year to network and hear presentations from prominent real estate professionals. Twice a year, the club offers field trips to major metropolitan areas to help students gain insights into a local real estate market. Last year, over 40 students visited Denver and San Francisco on club trips. Coordinated with the local chapters of the Wisconsin Real Estate Alumni Association, the field trips gave students intensive “hands-on” experience in the realities of the market and extensive contact with the alumni network. The center also provides support for some club travel expenses.

Each year, the Real Estate Club also sponsors a career fair to create an opportunity for company representatives to meet the Wisconsin School of Business’ best and brightest. The fair provides a forum for students and employers to network and line up internships and full-time job prospects.

The UW Real Estate Club is highly active and an integral part of the educational experience for students. For the 2008-09 academic year, club membership reached an all-time high with over 200 student members.

The club’s success is largely due to generous alumni donations of time, talent, and financial support. Sharon McCabe, associate director of the Graaskamp Center and faculty associate, serves as the club’s faculty advisor.

Student Real Estate Club

The club hosts a broad range of real estate executives from across the country who provide insights on many aspects of the real estate industry. This year’s speakers included:

Mark Anderson & Lance Knez, Hines
Sean Bowie, Blue Vista Capital Partners
Chuck Carpenter, SWIB
Adam Cibik, CPP Investment Board
Danny Flesch & Matt Carroll, Northwestern Mutual
Paul Hanson, Northwestern Mutual
Rich Hanson & Richard Shields, Mesa Development
Dan Hunswitz, Developers Diversified Realty

Mike Komppa, Corum Real Estate
David Lenz, The North Central Group
Kathy Nettesheim, Fiduciary Real Estate Development
Brad Olson, Atlantic Partners
Craig Raddatz, Fiduciary Real Estate Development
Greg Reed, MetLife Hanover
Scott Schoen, CB Richard Ellis

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The board of advisors is a core advisory and support group for the center. It is composed of top real estate executives in the country, including the corporate and non-profit sectors. The board members’ advice and involvement with students is one of the features that sets our real estate program apart. Members become involved by sharing their knowledge as guest lecturers in the classroom, serving as mentors to graduate students, recruiting talent for their firms, and participating in exclusive, high-level board meetings each year.

We want to thank all of our members for their generous and continued support of the Graaskamp Center for Real Estate and our mission. Memberships are critically important to our sustainability because the center is entirely self-supporting, including all operating expenses and the budget for our staff and a portion of its academic director.

As always, one of our top priorities is to elevate and expand the board membership while maintaining a high-quality experience at the senior level within the industry. We welcome suggestions for prospective board members. Please contact Executive Director Michael Brennan at (608) 263-4392 or mbrennan@bus.wisc.edu if you would like to recommend a prospective member(s).

The board currently has 74 members, including honorary, student, and lifetime members. The center welcomed four new members since July 1, 2008.

NEW MEMBERS IN 2008-09
Christian Garner, managing director, GE Commercial Finance (Patron Level)
Christy Lockridge, regional director, GE Capital (Sustaining Level)
John McLinden, partner, Centrum Properties (Patron Level)
Dean Parker, partner, Hinshaw & Culbertson LLP (Patron Level)

BOARD MEETINGS
As part of the board of advisors, our members attend high-level board meetings that provide critical perspectives and penetrating insights different from what is offered at typical industry meetings and summits. The semi-annual meetings (held in the fall and spring) are a venue for stimulating speakers, dynamic discussion, executive networking, and opportunities for interaction with faculty and students.

Delivering top-quality programs is essential to attract and maintain top-quality membership, and will continue to be a major priority in the year ahead. Based on member feedback, our most recent board meetings were very successful in terms of program topic, speaker quality, venue, and overall experience.

2008 FALL MEETING
At the Fall 2008 Board Meeting in Madison, an array of expert speakers and panelists shared their perspectives on real estate markets with more than 75 participants on September 16-17, 2008 at the Fluno Center. During the Tuesday night dinner, Randy Alexander and Natalie Bock of the Alexander Company discussed their recent developments in the Midwest. Members also had an opportunity to interact with real estate MBA students.

The following day, a group of panelists discussed primary sources of capital that are currently active in the marketplace. Charles Carpenter, investment director, State of Wisconsin Investment Board; Richard Martinez, managing director, Freddie Mac; Thomas Mc Cahill, managing director, Transwestern Realty; and James Mair, executive vice president, Wells Fargo, all shared their perspectives on this important topic. Robert Karner, executive director, Morgan Stanley, presented the latest statistics and trends using data from CMX, NCREIF index derivatives, and RPX (residential real estate derivatives).

2009 SPRING MEETING
Board members met at the Gleacher Center in Chicago on April 17-18, 2009. The state of the economy and its effect on a range of business decisions was a central issue during the two-day gathering, with a focus on what’s ahead in the economy.

Richard Longworth, author of “Caught in the Middle: America’s Heartland in the Age of Globalism”, opened the session on Thursday by reviewing the effects of globalization on the Midwest and challenging leaders to come together across cities and states for the future.

On Friday, during the “Green Development—Tangibility vs. Theory” session, Jim Hanson of Mesa Development, Rob Bond of The Bond Group, and Marc Celli of MDC Properties, Inc., presented two case studies in sustainable development from the Chicago area. They emphasized that “green” is a hot buzz word in the media encompassing everything from recycled building materials to the latest in renewable energy technology, but for developers, the emphasis should be on practical solutions that “move the needle” while at the same time are economical.

David Shulman, assistant director of AREIT (Applied Real Estate Investment Track) and former managing director and head REIT analyst at Lehman Brothers, presented an excellent overview on “Trends in the Economy and Real Estate Market.” This session was followed by “Logistics and Supply Chain Management Trends” where panelists Paul Nowicki of BNSF Railway, Jon DeCesare of World Class Logistics Consulting, and John Greuling of the Will County Center for Economic Development discussed the impact of energy on globalization.

The meeting closed with a “fireside chat” with Adam Metz, CEO of General Growth Properties, and David Nethercutt, CEO of Equity Residential, who shared their perspectives on the state of capital markets and the real estate industry as well as an outlook on the challenges and opportunities available under current conditions.
2008/2009 Board Members

Lifetime Members
(Stabilus Gifts to the Graaskamp Center)

Michael Arneson, Managing Principal, TOLD Development Co.
James Curtis, Principal, The Bristol Group
Charles Heath, President & CEO, Horizon Development Group, Inc.
E.J. Plekso, President, E.J. Plekso & Associates
Fred Petti, President, Housing Capital Co.
Bryant Wangard, Partner, Wangard Properties

Sponsor Members
$10,000 Annual Gift to the Graaskamp Center

E.J. Burke, Executive Vice President, KeyBank
James Mazzarelli, Managing Director, Transwestern Realty Finance Partners, LLC
Thomas McCahill, Managing Director, Transwestern Realty Finance Partners, LLC
Jeff Raymond, President, The Raymond Group

Sustaining Members
$6,000 Annual Gift to the Graaskamp Center

Steve Bailey, Co-Managing Director, Heitman Real Estate Securities, LLC
Vince Cozi, Vice President Acquisitions, Ventas Realty LP

Kevin Crummy, Managing Director, Eastdil Secured
Andrew Deckas, Senior Vice President & CFO, Opus Properties, LLC
George Gialamas, President & CEO, The Gialamas Company, Inc.
Lynn Gray, CEO, Campus Scout, LLC
Brian Hopp, Executive Vice President & CFO, Cogdell Spencer Erdman
Joe Hoesly, Vice Chairman, U.S. Bank National Association
Michael Husman, Managing Principal, Equitable Capital Group, LLC
Bruce Johnson, Managing Director & CFO, Regency Centers Corp.
David Lenz, Chairman & CEO, The North Central Group
Raymond Lewis, Executive Vice President & COO, Ventas Realty LP
Christy Lockridge, Regional Director, GE Capital
James Martell, President & CEO, Ridge Realty Trust
Daniel J. Minahan, President & COO, Continental Properties Co., Inc.
James Muir, Executive Vice President, Wells Fargo
Arthur Pasquarella, Executive Vice President & COO, BPG Properties, Ltd.
Tim Pire, Managing Director, Co-Managing Director, Heitman Real Estate Securities, LLC
Scott Ransom, President & CEO, Cogdell Spencer Erdman
Milda Ruskiewicz, Senior Vice President, Wells Fargo
David Wall, President, GLL Properties, Inc.

Patron Members
$3,500 Annual Gift to the Graaskamp Center

Jean Barden, General Manager, DG HYP
Derek Chen, CEO, Cheno Capital Holding Co.
David Clark, Senior Vice President of Real Estate Investment, NorthWestern Mutual
Steven Duse, Principal, Colliers, Bennett & Kahneweiler, Inc.
Margaret Fogarty DeWoskin, COO & COO, ORIX Real Estate Capital
David Friedman, Managing Director, Fund Management, Wrightwood Capital
Christian Garney, Managing Director, GE Commercial Finance
Mark Goodman, President, Mark Goodman and Associates, Inc.
James Grasecki, President, Northern Builders, Inc.
James Hall, Counsel, MCZ Development
Patrick Haller, Chief Executive Officer, Principal Capital Real Estate Investors LLC
Jon Hammes, Managing Partner, Hammes Company
Peter Hretch, Partner, Urban Associates
David Joseph, Principal, Walton Street Capital
Daniel Larson, Senior Investment Officer, CLNA Mutual Group
Stephen Lebowitz, President, CBL & Associates Properties, Inc.
David Lentz, Managing Director, Green Couture Partners, LLC
Michael Luecht, President & CEO, ML Realty Partners LLC
Craig Manske, President, Development Solutions
John McLinden, Partner, Centrum Properties
Steven Myers, Senior Vice President, AEGON USA Realty Advisors, Inc.
David Neifeld, President & CEO, Equity Residential
Dean Parker, Partner, Hinshaw & Culbertson LLP
James Ring, President, Park Towne Development Corp.
Steve Sernottm, Chief Executive Officer, Civic Partners
Timothy Sherry, CPA, CFP, Saby, Von Haden & Associates
James Smith, Managing Principal, Kensington Realty Advisors, Inc.
Richard Sokolov, President & COO, Simon Property Group
Martin Stern, Executive Vice President & Managing Director, US Equities Realty
Dave Struk, President & CEO, Zimmerman Architectural Studios, Inc.
Hugh Zwieg, President, Wind Real Properties, LLC

Wisconsin Realtors Association

Norman Flynn, President, Norman D. Flynn Associates, Inc.
James Imhof, Chairman & CEO, First Weber Group, Inc.
Dan Lee, Vice President, First Weber Group, Inc.
William Malaskas, Executive Vice President, Wisconsin Realtors Association

Honorary Members

Charles Carpenter, Investment Director, State of Wisconsin Investment Board
Christine Dickens, Director, Wisconsin Real Estate Alumni Association
Gary Dieher, President, TOLD Development Company (current WREAA President)
Michael Komppa, President, Corum Real Estate Group
Fred Prassas, President and Co-Founder, Property Management Concepts, Ltd.

Emeritus Members

Clyde Ballard
Frank MacDougall
Eugene Skaggs

Student Representatives
(Co-Presidents of the Real Estate Club)

Tim Brass (MBA ’09)
Eric Komppa (MBA ’09)
Daniel Phillip (MBA ’09)
Ashley Anderson (BS ’09)

Faculty Fellows

Steve Born, Professor, Urban and Regional Planning, UW-Madison
Richard Heymann, Faculty Associate, Law School, UW-Madison
Jack Huddleston, Professor, Institute for Environmental Studies, UW-Madison
Harvey Jacobs, Professor, Institute for Environmental Studies, UW-Madison
Antonio Merlo, Professor, Finance, UW-Madison
Thomas W. Mitchell, Associate Professor, Law School, UW-Madison
Jerry O’Brien, Faculty Associate, Director of Kohl’s Department Stores Center for Retailing Excellence, UW-Madison
Harvey Rabinowitz, Professor, Department of Architecture, UW-Milwaukee

Andrew Reschovsky, Professor, Applied Economics, UW-Madison

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Board Membership Levels

Sponsor Members: $10,000
- Two official representatives (total) eligible to serve on the board.
- Attend the fall and spring board meetings (at no additional cost) to receive an update on educational and industry-relevant research initiatives and to meet with colleagues to discuss the important issues facing the industry.
- Invited to symposia on topics relevant to the industry.
- Access to the academic and executive director of the center, and through them, to the faculty on matters of specific interest.
- Special recognition in our newsletter.

At the Sponsor Level, you have the ability to designate up to $4,000 (of your $10,000 gift) for the following initiatives/programs: ABET or international programs. You will be identified as a sponsor for the selected initiative/program.

Sustaining Members: $6,000
- Two official representatives (total) eligible to serve on the board.
- Attend the fall and spring board meetings (at no additional cost) to receive an update on educational and industry-relevant research initiatives and to meet with colleagues to discuss the important issues facing the industry.
- Invited to symposia on topics relevant to the industry.

Patron Members: $3,500
- One official representative eligible to serve on the board.
- Attend the fall and spring board meetings (at no additional cost) to receive an update on educational and industry-relevant research initiatives and to meet with colleagues to discuss the important issues facing the industry.
- Invited to symposia on topics relevant to the industry.

We also offer a Non-Profit Membership for $1,000. Benefits are the same as the Patron level.

Professional and Community Outreach

We give high priority to strengthening our working relationships and friendships with industry professionals, as well as alumni.

As part of our commitment to outreach and education, the center sponsors an annual housing conference and other events designed to address issues critical to the industry and public policy throughout the year. The center also jointly sponsors receptions with the WREAA at three national professional conferences this year: ULI, MBA, and ICSC. The receptions help maintain visibility for the center and the WREAA while fostering a networking opportunity for alumni and associates.

GRAASKAMP CENTER HOSTS NEW SUSTAINABLE REAL ESTATE DEVELOPMENT CONFERENCE

A diverse group of real estate professionals, architects, government officials, faculty, and students gathered for a lively discussion at the Sustainable Real Estate Development Conference, held October 30, 2008 at the Fluno Center in Madison. The conference demonstrated a range of approaches to greener ways of living and doing business on the developmental, corporate, governmental and local levels, and ways in which attendees could be leaders on the pathway to sustainability. The common theme among the three keynote presenters and the nearly 35 other presenters was a strong call to action to protect our natural resources by proactively integrating sustainable practices into all facets of real estate development. John Nelson, an adjunct professor in UW-Madison’s Department of Civil and Environmental Engineering and a keynote speaker at the conference, spoke on the pressing need to address climate change.

Since 1994, the center has co-sponsored an annual conference on critical topics in affordable housing with the Wisconsin Department of Commerce, the Wisconsin Realtors Association, and the Wisconsin Housing and Economic Development Authority.

Over 130 bankers, developers, real estate agents, and other housing professionals gathered at the Fluno Center in Madison on June 11 to attend the 2009 Wisconsin Housing Conference. Thought leaders and industry experts presented their research and insights on topics related to the theme, “Housing Outlook 2010: Continued Crisis or Recovery?” They discussed not only the state of the national economy, but how Wisconsin is affected by the crisis, evolving financial markets, the outlook for the future in real estate development, and existing housing stock issues and how neighborhoods are responding to foreclosure.

Richard Green delivers the keynote presentation at the 2009 Housing Conference

WISCONSIN HOUSING CONFERENCE HOUSING OUTLOOK 2010: CONTINUED CRISIS OR RECOVERY?

Richard Green, director of the Lusk Center for Real Estate at the University of Southern California, former principal economist and director of financial strategy and policy analysis at Freddie Mac; and former UW-Madison professor of real estate, was the featured keynote speaker at the conference. Green predicts that the nation could see a much-needed housing recovery sometime in 2010, but unemployment and foreclosure rates will likely worsen between now and then as the economy struggles to get on track. Housing starts have fallen about 80 percent from the housing peak in 2005 to now, which makes for the worst decline since World War II. However, it’s still a bit too soon to begin building anew, Green said, as many areas struggle to burn through excess inventory created by the speculative overbuilding seen from 2000 to 2007 and the subsequent foreclosures. “Finding the bottom is really key to getting out of this mess and I do think we’re close,” Green added. “The long-term outlook for housing is very positive.”
Faculty Insights on Housing Crisis

During the economic challenges last year, our faculty stepped up outreach to business and policy audiences to explain the roots of the crisis and outlining elements of solutions, through public lectures, congressional testimony, media interviews, and webcasts. A partial list follows:

Morris A. Davis quoted in CNNMoney.com article on “Helping the Unemployed Pay Their Mortgages.” July 2009

Stephen Malpezzi served as faculty chair for the center’s annual Housing Conference focused on the theme “Housing Outlook 2010: Continued Crisis or Recovery?” with co-sponsors the Wisconsin Department of Commerce, the Wisconsin Realtors Association, and the Wisconsin Housing and Economic Development Authority. June 2009


Stephen Malpezzi and Graaskamp Center Fellow Karl Scholz presented an economic outlook on the Big Ten Network show, “Office Hours.” February 2009

Wisconsin real estate faculty introduce the Wisconsin Foreclosure and Unemployment Relief Plan (Wi-FUR), May 2009

Stephen Malpezzi quoted in Wisconsin State Journal article on local real estate auction, one of the largest in state history. May 2009

Public Radio’s “Marketplace” interviewed

Stephen Malpezzi on apartments’ impact on the housing market. March 2009

François Ortalo-Magné presented the closing keynote on “The Dynamics of Fear Versus Greed in the Current Real Estate Market” at the annual MIPIM Conference in Cannes, France. March 2009.

Morris Davis was quoted in the Christian Science Monitor on the possibility of an end to the slide of home prices. Also quoted on ABC Wisconsin TV in Madison about President Obama’s mortgage plan. February 2009

Dean Michael Knottner and Morris Davis discussed the ongoing economic crisis on the Big Ten Network show, “Office Hours.” February 2009

François Ortalo-Magné quoted in Forbes magazine and the International Herald Tribune’s “Raising the Roof” blog about the best places to buy real estate in the world market. January 2009


Morris A. Davis quoted in USA Today Article on “Why Home Values May Take Decades to Recover.” December 2008

Tim Riddiough and Morris A. Davis participated in a panel discussion hosted by the Wisconsin School of Business to address the financial crisis and the bail-out plan. Articles appeared on WISN-ABC, WISCTV, NBC 15, and the Milwaukee Journal Sentinel. November 2008

Morris A. Davis quoted in the Christian Science Monitor on the Fannie and Freddie takeover. Also featured on the NPR’s “Marketplace,” “Economists split on what fed will do.” October 2008

Tim Riddiough quoted on the prospects for REITs in the NAREIT SmartBrief. October 2008


Tim Riddiough reviewed early warnings of the crisis and principles for preventing another meltdown, “The Real Estate Meltdown: Forecasting the Perfect Storm” and “Preventing Another Real Estate Meltdown.” August 2008

Morris A. Davis quoted in several national blogs (hintonstories.com, howwealthworks.com) on how rising mortgage payments are making homes even more expensive. August 2008

Morris A. Davis quoted in Milwaukee Journal Sentinel article, “Turning bad loans into sold houses.” Also quoted in regional and local newspapers (Appleton Post Crescent, NBC 15 Madison and the Wisconsin State Journal) during the 2008 Wisconsin Housing Conference on the state of the Wisconsin’s housing market compared to the national market. June 2008

Morris A. Davis quoted in USA Today Article on “Home Values May Take Decades to Recover.” December 2008


Morris A. Davis quoted in USA Today Article on “Why Home Values May Take Decades to Recover.” December 2008

Faculty Research Highlights

Faculty members of the Wisconsin Real Estate program are active researchers at the frontier of knowledge in the fields of real estate economics and finance. They regularly have articles published in top academic journals and frequently participate in conferences around the world. Below are selected research highlights for our faculty.

Morris A. Davis Assistant Professor

Filling a major gap in the availability of property datasets, databases developed by Morris Davis and his colleagues on land and property values in the U.S. are now available online at the Lincoln Institute of Land Policy. The databases explore:

- Rent-Price Ratio: The ratio of rents to prices for the stock of all owner-occupied housing;
- Aggregate U.S. Land Prices: Values and price indexes for all land, structures, and housing in residential use; and
- Metro Area Land Prices: Values and price indexes for land, structures, and housing for single-family owner-occupied housing units in 46 major U.S. metropolitan areas.


Stephen Malpezzi Academic Director of the Graaskamp Center for Real Estate and Professor, and Lorin and Marjorie Tiefenthaler Chair of Real Estate.


François Ortalo-Magné Professor and Chair, Department of Real Estate and Urban Land Economics, Robert E. Wangard Endowed Chair in Real Estate.


Timothy J. Riddiough Professor and E.J. Pleisko Chair

A summary of survey findings shows:

- The U.S. continues to be considered the country with the most stable and secure real estate investment opportunities and the leading market for capital appreciation. Half of AFIRE members’ top 10 global cities to invest in are located in the U.S.: Washington, D.C., ranks as the top city in the world for real estate investment; followed by London, New York, Tokyo, Shanghai, San Francisco, Los Angeles, Paris, Houston, and Singapore.

- Multi-family sector is the preferred property type for investment followed by office, industrial, retail, and hotel properties. A majority of AFIRE members report a general sentiment that the “green” attributes of a building do matter for investment decisions and can bring a greater rental premium.

- AFIRE members who are primarily lenders in the U.S. real estate market are planning a significant increase in U.S. real estate debt investments for 2009 compared to their plans for 2008, and a smaller decrease in real estate equity investments for the U.S. For 2009, survey respondents expressed a substantial preference for U.S. real estate, followed by properties in Germany, the U.K., China, and Japan. France dropped out of the top five targets for 2009. For future investments, India and Brazil were named the top two emerging markets.

- For the first time in five years, AFIRE members report that finding attractive opportunities for real estate investment in the U.S. has become easier. Finding lending opportunities appears easier than finding equity investment opportunities.

- A number of foreign investors sat 2008 out, but they are ready to move in aggressively in 2009 —particularly on the debt markets. And this is exactly what the commercial real estate markets need.”

Compared to transactions completed by October 2008, foreign real estate lenders say they plan to increase lending by 54 percent globally and by 58 percent in the U.S. Equity investors plan to increase investment activity by 40 percent globally and by 73 percent in the U.S.

For the first time in five years, AFIRE members report that finding attractive opportunities for real estate investment in the U.S. has become easier. Finding lending opportunities appears easier than finding equity investment opportunities.

François Ortalo-Magné presented complete survey results at AFIRE’s Winter Conference held on February 11-12, 2009 in New York. The survey results were reported in major media outlets, including the Wall Street Journal’s MarketWatch, National Real Estate Investor, CNBC, Breitbart.com, and MSN Money Central.

Foreign investors in real estate expect to spend significantly more around the world, particularly in the U.S., in 2009 than they did in 2008. These were the findings of the 17th annual survey by the Association of Foreign Investors in Real Estate (AFIRE) conducted by the Graaskamp Center. Nearly 200 members of AFIRE were approached in the fourth quarter of 2008 for their perceptions and opinions regarding cross-border real estate investment, real estate portfolio market values, investment allocations, and capital flows.

“Despite the recent turmoil in the U.S. economy, the appetite for U.S. real estate investment remains. Foreign investors continue to consider the U.S. as providing the best opportunities for capital appreciation and they report that finding U.S. real estate investment opportunities is much easier now than it has been in a long time,” says François Ortalo-Magné, professor and chair of the Department of Real Estate. “A number of foreign investors sat 2008 out, but they are ready to move in aggressively in 2009 —particularly on the debt markets. And this is exactly what the commercial real estate markets need.”

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Two new faculty will join the Wisconsin Real Estate Program. Abdullah Yavas joined the Department of Real Estate faculty in the fall of 2009. Erwan Quintin joined the faculty in January of 2010.

Abdullah Yavas comes from Pennsylvania State University, where he has been a faculty member since 1992. He brings an exciting mix of innovative research, teaching excellence, practical experience, and dedication to the business community that are a perfect fit for the Wisconsin Real Estate Program. In March 2007, he was appointed as a member of the Monetary Policy Committee of the Central Bank of the Republic of Turkey, which is the Turkish equivalent of the U.S. Federal Reserve’s Federal Open Market Committee. The committee meets once a month to analyze economic data, set interest rates, and determine monetary policy strategy to achieve and maintain price stability in Turkey.

Erwan Quintin currently works as a senior economist and policy advisor at the Federal Reserve Bank of Dallas, where he has been employed since September 2000. On a general level, Quintin’s research interests include growth and development economics, and financial economics and macroeconomics. He has taught economics at Southern Methodist University, the University of Texas at Austin, the University of Minnesota and the St. Thomas Graduate School of Business. He also served as visiting scholar to the European Central Bank’s research department, where he studied financial convergence in the euro area. He holds an M.B.A. from Case Western Reserve University and a Ph.D. in economics from the University of Minnesota.

An Exciting Year Ahead
A brief preview of some of the exciting happenings for the 2009-2010 academic year:

- Two new faculty will join the Wisconsin Real Estate Program. Abdullah Yavas joined the Department of Real Estate faculty in the fall of 2009. Erwan Quintin joined the faculty in January of 2010.

Mid-Year AFIRE Survey Predicts U.S. Real Estate to Recover Q2, 2010

For the first time, AFIRE conducted a mid-year survey, which revealed that foreign real estate investors say they expect to see a recovery in the U.S. real estate market by the end of the second quarter of 2010. The survey was again conducted by the Graaskamp Center. François Ortalo-Magné, professor and chair of the University of Wisconsin-Madison’s Department of Real Estate, presented the results at AFIRE’s European Conference in London on June 17, 2009.

Respondents also projected that their investments for the remainder of 2009 will substantially out-stripe investments completed year-to-date. On the debt side, survey respondents say they expect to invest three times more than current investment levels year-to-date; equity investors expect they will place seven times more than current year-to-date investments. Overall, three quarters of the survey respondents had not yet invested in 2009; however, more than two-thirds of them plan to invest some debt or equity in U.S. real estate before the end of the year.

Survey respondents continue to be optimistic in their investment projections. Thirty-one percent said they were more optimistic than at the beginning of the year, 16 percent said they were more pessimistic, and 53 percent said they felt about the same as at the beginning of the year.

Survey respondents also said that the office sector would recover first, followed by the multi-family and industrial sectors. This is a shift in investor perception from the results of 17th Annual Survey in which investors expressed an interest for multi-family over office buildings as the preferred property type for their real estate investment dollars.

- The Graaskamp Center will co-sponsor two research conferences with the Atlanta and Chicago Federal Reserve Banks. We will again be hosting our annual Wisconsin Housing Conference in June 2010.

- The second-year MBA students will head to Brazil for a study trip. The tentative itinerary includes visits to São Paulo and Rio de Janeiro, with a possible day trip to another nearby city. The agenda will offer an exciting mix of seminars and presentations on the Brazilian real estate market, site visits to local real estate developments, meetings with industry executives, as well as time to explore and experience the local culture. Board members and alumni are invited to join the trip (as space is available).

- First-year MBA students will again be traveling to Cannes, France to attend the annual MIPIM convention and exhibition.

- The Graaskamp Center will introduce a number of new events for board members, including a Homecoming Tailgate Bash, a “Day at the Graaskamp Center,” and a series of small group regional networking events with new Executive Director Michael Brennan.
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