



DEPAUL UNIVERSITY

DRIEHAUS COLLEGE OF BUSINESS

The Real Estate Center

2 0 1 2 A N N U A L R E P O R T

TABLE OF CONTENTS

	LETTER FROM SUSANNE CANNON.....	4
	THE REAL ESTATE CENTER SPONSORS & SUPPORTERS	6
	ACADEMIC PROGRAMS & CURRICULUM	8
	STUDENT NEWS	12
	SCHOLARSHIPS.....	16
	IN THE CLASSROOM	22
	MENTORING, INTERNSHIPS & PLACEMENT.....	26
	COLLEGIATE REAL ESTATE CONFERENCE 2012.....	30
	CONFERENCES & EVENTS	32
	DEPAUL REAL ESTATE ALUMNI ALLIANCE (DREAA).....	38
	DEVELOPMENT	40
	RESEARCH	42
	THE INSTITUTE FOR HOUSING STUDIES	45

LETTER FROM SUSANNE CANNON

This fall we are celebrating the 10th anniversary of the creation of the Real Estate Center and our MBA program. Later, we supplemented those programs with the MSRE and undergraduate programs. We are proud of our many accomplishments, our strong commitment to students and the industry, and our perseverance.



The last four years have been difficult for the industry and for enrollment in real estate programs, but we are seeing signs of a more stable economy and business climate.

The evidence of an improving economy can be seen in a number of different ways at DePaul University and the Real Estate Center. We have begun to see an increased level of corporate sponsorships, a greater commitment to scholarships and broader participation in industry events. Another telling milestone is the increase in internship and placement opportunities.

Combined, these provide our students, at the undergraduate and graduate levels, a richer and more fulfilling experience.

Following are some key initiatives we pursued during the past year:

- We made tremendous strides in increasing the level of scholarships for students for the 2011-2012 academic school year, awarding over \$125,000 from the college, The Real Estate Center sponsors, and endowments. These scholarships made it easier for students to be at DePaul and participate in our dynamic undergraduate and graduate programs.

- We increased our efforts to bring students enriching experiences outside of the classroom, providing funding for students to attend industry meetings in Chicago, New York, Las Vegas and other parts of the country. We secured 32 slots for national and regional meetings, sending students to events such as PREA, ICSC and NAREIT's REITwise conference.
- We hosted two industry conferences—Identifying and Maximizing Opportunities in a Reviving Market, our capital markets focused conference, and a new conference examining technology and social media—Connecting Digital & Physical Space. These conferences brought together leaders in real estate and related industries for engaging discussions about key topics that will shape the market in years to come.

We are in the process of returning to a business environment that will provide great opportunities for those choosing real estate as a career path. We believe more than ever that our focus on linking classroom experiences with exposure to the real business world will pay great dividends for our students.

Regards,

A handwritten signature in black ink that reads "Susanne Cannon". The signature is fluid and cursive, with a large initial 'S'.

Susanne Cannon, PhD
Chairman, Department of Real Estate
Douglas & Cynthia Crocker Endowed Director,
The Real Estate Center



THE REAL ESTATE CENTER SPONSORS & SUPPORTERS

We acknowledge our valued sponsors and supporters for their commitment to educating, mentoring and motivating students in the many rewarding aspects of real estate during fiscal year 2012.

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- Origin Capital Partners LLC
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ACADEMIC PROGRAMS & CURRICULUM

DePaul's real estate program, now 10 years old, continues to evolve to help prepare students for the changing demands of today's real estate market. While the focus has always been on providing solid fundamental coursework and models for analysis, the curriculum has expanded in recent years to provide additional exposure to real world projects and experiences.



Overall, the three degree programs deliver a wide array of courses that provide a broad understanding of the real estate industry and the opportunity for in depth analysis of complex topics.

For breadth, we offer courses in Urban Planning, Market Analysis, Development, Project Management, Negotiation, and Capital Markets. Students can dig deeper with advanced courses in Institutional Investment and Structuring Real Estate Investment around tax issues, classes that build on earlier course work in investment and finance. Both are essentially case courses and require students to work separately and in teams. Most of our graduate courses incorporate guest lecturers and/or team teachers, and the student deliverables include written analysis and recommendations, and presentations.

In an effort to engage students from a variety of backgrounds, we made major changes this year in the way we deliver the introductory undergraduate course.

The shift was built around an exciting hands-on approach that challenges students to prepare a three part case project in the River North neighborhood on Wells Street near Chicago Avenue. Students consider a large scale development planning project for several blocks, do a market supply and demand analysis for a specific storefront, and then finish the course by creating an excel investment valuation model for one property in the area.

As part of the college's academic program review we also identified "soft skills" and we are creating workshops to develop them. Networking skills, for example, are not covered in standard course work, but can be vital to a job applicant's success. Other soft skills we will focus on include: business etiquette, interviewing, and time management.

In addition to the classroom activity, we continue to collaborate outside of DePaul—particularly with students from other universities. This year, these experiences included a co-authored Millennium Park research project with students from Texas A&M University; the Eisenberg Foundation's annual real estate challenge for students studying in the Midwest; and our annual CREC that includes seven universities. See the "Student News" section for more details.

ENROLLMENTS

The academic program is excellent, and our faculty ensure students can apply the knowledge they've acquired in the classroom to the workplace. However, the number of students selecting real estate as an MBA concentration, MSRE, or undergraduate major or minor continues to decline.



At the present time there are 30 undergraduate students who are intended real estate majors, plus several students who are seniors and who intend to graduate this fall and winter. We are actively recruiting both majors and minors as well as trying to expand enrollment by attracting finance, hospitality and general business students who are seeking an elective course.

As we focus on increasing undergrad enrollment, we continue to reach out to business and liberal arts students to encourage them to take one or two real estate courses as electives, and we continue to seek both majors and minors in our program. In particular we have contacted finance, general business and hospitality students as part of this initiative.

Students progressing toward a Bachelor of Science in Business with a Real Estate major take about half their coursework in liberal arts and sciences. The other half of their courses are in the College of Business, formerly called the College of Commerce, and most of those courses are core requirements in accounting, economics, finance, management, or marketing. Typically, late in their junior year or early in their

senior year, students begin to take the seven courses in their major.

There are 51 continuing MBA students and 14 continuing MS students currently in the program. We expect to add to this number with fall admissions.

We are also focusing on ways to boost enrollment at the graduate level and made progress this year in attracting some finance students to take our introductory course in Real Estate Investment and Finance. We continue to work toward cross listing courses with the finance department so that we can build enrollment in the introductory course and potentially attract students to advanced classes as well.

One of the greatest challenges we have faced is the limitation of elective coursework in a graduate degree. The DePaul MBA curriculum designates twelve of the eighteen courses as required, and then permits students to select a 3 or 4 course concentration. This leaves very little flexibility within a student's program for an elective in real estate. This means real estate courses must compete with many other options for the two or three elective opportunities that remain.

ACADEMIC PROGRAMS & CURRICULUM cont.

We have attempted to reach out to students in other disciplines to encourage them to take at least one real estate course. In addition, we attended all Kellstadt Graduate School of Business open houses and orientations to try to attract these students, and we hosted

a quarterly information session for prospective real estate students. This event showcased a faculty mini-lecture, an alumni testimonial, and a sponsor presentation. We anticipate a significant return on these events in future enrollments and admissions.



The following tables show course offerings and enrollments by quarter:

GRADUATE

FALL	RE 530	Wurtzebach	Real Estate Investment/Finance	18
	RE 531	Shilling	Real Estate Finance	10
	RE 798	Cannon/Simon	Multifamily Housing Policy & Finance	11
	RE 798	Bell	Negotiating Commercial RE Transactions	12
	RE 798	Bell	Urban Planning & Public Policy ¹	03
WINTER	RE 530	Wurtzebach	Real Estate Investment/Finance	26
	RE 533	Simon	Real Estate Market Analysis/Valuation ²	12
	RE 798	Bell	Advanced RE Analysis with Argus	16
	RE 798	Aljinovic	Legal Issues in Real Estate	20
SPRING	RE 530	Wurtzebach	Real Estate Investment/Finance	16
	RE 531	Shilling	Real Estate Finance	17
	RE 535	Cannon/Wurtzebach	Real Estate Investment	22
	RE 798	Cannon/Bell	Real Estate Development & Repositioning	08
	RE 798	Bell	Project Management, Design & Construction ³	05

UNDERGRADUATE

FALL	RE 300	Aljinovic	Real Estate Law	17
	RE 320	Bell	Urban Planning & Public Policy ¹	03
	RE 350	Bell	Real Estate Analysis	17
	RE 350	Wurtzebach	Real Estate Analysis	17
	RE 398	Bell	Negotiating CRE Transactions	02
WINTER	RE 350	Wurtzebach	Real Estate Analysis	25
	RE 350	Bell	Real Estate Analysis	32
	RE 352	Shilling	Real Estate Finance	17
	RE 354	Cannon	Real Estate Valuation ²	07
	RE 398	Bell	Advanced RE Analysis with Argus	01
SPRING	RE 300	Aljinovic	Real Estate Law	16
	RE 350	Dombrow	Real Estate Analysis	17
	RE 350	Ley	Real Estate Analysis	22
	RE 353	Simon	Real Estate Investment	08
	RE 398	Bell	Project Management, Design & Construction ³	05

¹ Combined section RE 798 with RE 320 | ² Combined section RE 533 with RE 354 | ³ Combined section RE 798 with RE 398

Due to the low enrollments we were forced to offer several classes as combined graduate/undergraduate courses. These include Market Analysis and Valuation, Project Management, and Urban

Planning and Public Policy. The material covered is substantially the same at the graduate and undergraduate level, but the assignments and expectations differ.

STUDENT NEWS



MILLENNIUM PARK PROJECT

Downtown Chicago's Millennium Park has benefitted the city in numerous ways, including spurring a real estate boom that added thousands of residential units to the East Loop and generating billions of dollars in additional tourism revenues, according to a new comprehensive study of the celebrated park's overall impact.

The study, co-authored by real estate student researchers at DePaul and Texas A&M universities, found that since the park's 2004 opening a number of other indicators - ranging from a drop in area crime to significantly increased usage of nearby rapid transit stations - suggest the park has benefitted Chicago even more dramatically than previously perceived.

As part of the project, the College of Business collaborated with the students and faculty advisors to produce a video, which can be seen on our website, that highlights the results of the study and features interviews with the students and other key players of the project.



GRADUATION CELEBRATION

To mark the accomplishments of the new real estate graduates, the Center hosted an architectural tour on the Chicago River led by **Mary Ludgin**, managing director at Heitman and a friend of The Real Estate Center. Attendees included new graduates, along with faculty, alumni, students, sponsors, staff and friends of the Center.

ANNUAL FALL RECEPTION

The Real Estate Center held its annual fall reception in September to celebrate the start of the 2011/2012 school year. Alumni, faculty, sponsors and friends of the Real Estate Center attended the event.

As part of the program, faculty members **Jim Shilling** and **Rebel Cole** presented a summary of their recent research, and **Susanne Cannon**, Chairman of the Department of Real Estate, announced the recipients of the academic and travel scholarships.



STUDENT NEWS cont.

EXECUTIVE IN RESIDENCE TO FOCUS ON STUDENT SERVICES

Ray Milnes, who retired from a long career as a partner at KPMG, will spend part of his retirement as an executive in residence with the Real Estate Center.

Milnes is not unfamiliar with the work of the Center. When he was with KPMG, a sponsor of the Center, he acted as the company's representative to serve on the Executive Committee and guide the direction of the Center's professional and academic programs and activities.

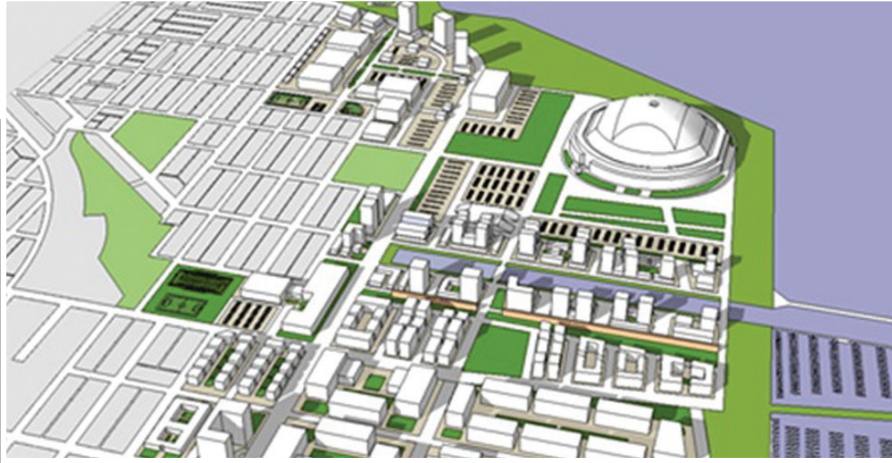
In his new role as executive in residence, Milnes has begun to develop academic coursework and to work with faculty and staff to create and implement an undergraduate, non-aca-

A former partner at KPMG and sponsor of the Center, Ray Milnes is now an executive in residence with the Real Estate Center.



ademic program that will help students develop the professional skills they'll need outside of the classroom. The new program includes exercises in networking, resume writing, career planning, interviewing and business etiquette.





EISENBERG COMPETITION

The **Harold E. Eisenberg Foundation** sponsors an annual real estate challenge for students studying real estate in colleges and universities in the Midwest.

The 2012 Challenge focused on a high profile development/redevelopment project at the site of the former U.S. Steel South Works. Each team was assigned the same real estate project and was provided essential information and/or assumptions about the property.

The students' final feasibility assessment and development plan recommendations constituted a comprehensive analysis and conclusion of how to maximize the potential of the property from both a quantitative (financial) and qualitative (feasibility) standpoint.

The DePaul team was: **Michelle Lee, Jeff Smith, David Keane, Hillery Simmons, Peter Kraviritis** and **Kevin Fogarty**.

STUDENT REAL ESTATE ORGANIZATION

Steve Bell, who is the student faculty advisor, works closely with the undergraduate student organization. This year the students brought three real estate industry executives to the campus for presentations on their industry sector, their companies and possible employment opportunities at their companies. Their speakers were:

February 2012

Eric Mariani, Office Broker at Jones Lang Lasalle

February 2012

Derrick Almassy, Senior Associate and **Christian Williams**, Vice President from CBRE's Chicago National Retail Investment Group.

October 2011

Stephen Muller and **Arthur Holmer** of Wells Street Companies

In October, the students organized a site visit to Block 37 to tour the site with General Manager **Richard Cooke**. Further, The Real Estate Center has involved them fully in the DePaul Mentoring Program and with the mentoring programs of the Eisenberg Foundation.

SCHOLARSHIPS

Scholarships are vital resources

in these challenging
economic times.

They make it possible for
students to pursue an
undergraduate or graduate
degree, travel to key industry
conferences to meet industry
leaders and gather real life
exposure to
the marketplace.

\$125,435

*Total amount of scholarships awarded
to real estate students in 2011-2012.*





TRAVEL & MEETING SCHOLARSHIPS

The **Charles H. Wurtzebach and Susan M. Marshall Endowed Scholarship Fund** subsidizes students' travel expenses so they may attend some of the major real estate conferences that take place throughout the United States. This is an opportunity for real estate students to expand their knowledge of the industry outside of the classroom. The scholarship covers conference registration fees, airfare and hotel expenses.

This is the third year that funds were available. The selection committee identified fourteen graduate students as recipients of the scholarship, an increase of seven students compared to last year. In total, the Center awarded \$3,735 for travel scholarships from the Charles H. Wurtzebach and Susan M. Marshall Endowed Scholarship fund.

In addition, the Real Estate Center allocated **Sustaining Sponsor** dollars to supplement expenses for several student trips, including the ICSC Conference in Las Vegas. As a result, eight students were able to attend the conference with the Center covering hotel, airfare, student membership dues and registrations.

Between the Wurtzebach/Marshall fund and the Center Sponsor fund, a grand total of \$19,479 was used to enhance our students' experiences beyond the classroom.



BY THE NUMBERS...

\$19,479

Total amount of
real estate travel
scholarships awarded

32

Number of real estate
travel scholarships awarded

Supported by...

**Charles H. Wurtzebach and
Susan M. Marshall Endowed
Scholarship Fund, and the
Real Estate Center Sustaining
Sponsor Fund**

SCHOLARSHIPS cont.

Key events that students were able to attend:

NAREIT REITWise Conference

Hollywood, Fla. | March 2012

Recipients: **Nicole Drewery, Christina Maksimovic, David Keane, Ben Paolone, Adam Short** and **James Waller**



Ray Milnes (left) with student participants at the NAREIT REITWise Conference.

Urban Land Institute's Spring Council Meeting

Charlotte, NC | May 2012

Recipients: **Jon Boyajian** and **Aaron Rosdal**

International Council of Shopping Centers (ICSC)

Las Vegas, NV | May 2012

Recipients: **Nicole Drewery, Xiaoyo Gu, David Keane, Emily Modick, Ben Paolone, Adam Rybka, Jeremy Teresi** and **Kendall Winegar**



Charlie Wurtzebach and Sue Marshall with students at the ICSC Conference in Las Vegas.

NCREIF Summer Academy

Chicago, IL | July 2011

Recipients: **Jesse Rodriguez, Alan Krzesinski, Adam Rybka** and **Zac Metler**

International Council of Shopping Centers (ICSC) Chicago Deal Making Conference

Chicago, IL | October 2011

Recipients: **Adam Rybka, David Keane, Brad Joyce, Michelle Lee, Ben Paolone** and **Nicole Drewery**

Pension Real Estate Association

Chicago, IL | October 2011

Recipients: **Adam Rybka, Jeremy Teresi, Erica Champer, Aaron Rosdal, Adam Short, David Keane, David Adams, Ben Paolone, Naveed Nabavi** and **Emily Modick**

Urban Land Institute

Los Angeles, CA | October 2011

Recipient: **Adam Rybka**

REFF Forecast Event

Chicago, IL | January 2012

The Real Estate Center funded the registration fees for students to attend this event.



Graduate students, Ben Paolone, Emily Modick and Adam Rybka staff the DePaul booth at the ICSC Conference.



Left to right, Arden Weitzman, undergraduate student, Jeremy Teresi, and Howard Powers.

ACADEMIC SCHOLARSHIPS

ROBERT AND HOWARD WEITZMAN ENDOWED SCHOLARSHIP

The **Robert and Howard Weitzman Scholarship Endowment Fund** was established as a tribute to Bob and Howard Weitzman to recognize their passion for education and real estate.

This scholarship provides financial assistance to undergraduate DePaul University real estate students who demonstrate outstanding aptitude in their academic pursuit of a real estate degree.

This year's Weitzman scholarship was awarded to undergraduate, **Jeremy Teresi**, in the amount of \$5,365.

MICHAEL J. HORNE ENDOWED SCHOLARSHIP

The **Michael J. Horne Scholarship** was created by the MJH Education and Healthcare Assistance Foundation to honor the legacy of **Michael Horne**, who had been a successful real estate broker in Los Angeles.

The Horne Scholarship funded a total of \$12,340 this year. The recipients were:

- **Aaron Rosdal**, MBA candidate
- **Christine Brown**, MBA candidate
- **Derek Fohl**, MBA candidate
- **Emily Modick**, MBA candidate
- **Nick Fulton**, MBA candidate
- **Jon Boyajian**, MSRE candidate
- **Christina Maksimovic**, undergraduate candidate



BY THE NUMBERS...

\$5,365

Total amount awarded by the
**Robert and Howard Weitzman
Endowed Scholarship**

\$12,340

Total amount awarded by
the **Michael J. Horne
Endowed Scholarship**

\$6,000

Total amount awarded by the
**Anthony J. and Jane E. Lydon
Scholarship Fund**

\$2,951

Total amount awarded by
the **Kenneth McHugh
Endowed Scholarship**

\$26,156

Grand total of academic
scholarships awarded

SCHOLARSHIPS cont.



Left to right, graduate students and scholarship recipients, Adam Rybka and Erica Champer with Susanne Cannon.

ANTHONY J. AND JANE E. LYDON SCHOLARSHIP FUND

The **Anthony J. and Jane E. Lydon Scholarship** provides recognition and financial assistance to undergraduate and/or graduate students studying real estate. The Lydon Scholarship funded a total of \$6,000 in scholarships to the following students:

- **Adam Rybka**, MBA candidate
- **Erica Champer**, MBA candidate
- **James Waller**, undergraduate

KENNETH MCHUGH ENDOWED SCHOLARSHIP

Kenneth McHugh was the Executive Vice President for Operations at DePaul and served the university for 30 years. He played an integral role in getting the Real Estate Center up and running.

This year's McHugh scholarship was awarded to MBA candidate, **Adam Devlin-Brown** in the amount of \$2,951.

COLLEGE GRADUATE ASSISTANTSHIPS

The College awards two annual graduate assistantships to students enrolled in the real estate MBA/MSRE program. In total, \$70,800 was awarded to **David Keane** and **Stephen Vonderach**. In their capacity as a graduate assistant, each student works with an assigned faculty member on research projects throughout the year.

PROFESSIONAL ORGANIZATION SCHOLARSHIPS

SOCIETY OF INDUSTRIAL AND OFFICE REALTORS

Since 1984, the Society of Industrial and Office Realtors (SIOR)-Chicago Chapter and the SIOR Foundation have awarded scholarships with the goal of recognizing and rewarding outstanding academic performance in business and real estate and to expose recipients to career opportunities and internship programs available within the Chicago real estate community.

This year's recipient of the **Cynthia L. Bischof Memorial Scholarship** was MBA student **Christine Brown**, and the winner of the **SIOR Scholarship** was MBA student, **Derek Fohl**. Each scholarship award was \$3,000.

Both Christine and Derek are eligible to attend SIOR-Chicago Chapter business meetings, as long as they remain in the academic program. They also were invited to attend the SIOR Holiday Luncheon in December at the Glenview Golf Club where all of the scholarship recipients were presented with their awards.

REAL ESTATE FINANCE FORUM

The **Real Estate Finance Forum Scholarship Fund** was created in 2006 to encourage young women who have chosen to pursue an education in a real estate related field. Each year one \$2,000 scholarship is awarded to a junior, senior, or graduate student concentrating in the real estate area.

This year's recipient was **Emily Modick**, a part-time MBA student at DePaul University's Kellstadt Graduate School of Business.

ICSC FOUNDATION

The **International Council of Shopping Centers (ICSC) Foundation** selected the Real Estate Center and one of our undergraduate students to be the recipient of a \$1,000 scholarship. The Center was chosen based on criteria such as the number of ICSC student members, academic ranking, strength of the real estate program, industry involvement, faculty investment, the student real estate club and conference participation. Their goal is to assist an undergraduate student studying real estate and to strengthen the relationship between ICSC and the University.

Undergraduate student **Jeremy Teresi** received the \$1,000 scholarship and a one-year ICSC student membership.



James West of SIOR; scholarship recipient, Derek Fohl and Steve Bell, DePaul Real Estate faculty member.



BY THE NUMBERS...

\$3,000

Amount awarded to **Cynthia L. Bischof Memorial Scholarship** recipient Christine Brown

\$3,000

Amount awarded to **SIOR Scholarship** recipient Derek Fohl

\$2,000

Amount awarded to **Real Estate Finance Forum Scholarship Fund** recipient Emily Modick

\$1,000

Amount awarded to **ICSC Foundation scholarship** recipient Jeremy Teresi

IN THE CLASSROOM

GUEST LECTURERS

These industry leaders bring a depth of experience to classroom discussions. Among our guest lecturers were:

DEVELOPMENT

- **Tim Pomaville**, Ambrosia Homes
- **James McCormick**, AMLI Residential
- **Stephen Ross**, AMLI Residential
- **Peter Levavi**, Brinshore Development
- **Karen Butler**, Great Harbor Advisors
- **Jerry Nudo**, Marc Realty
- **Stan Nitzberg**, Mid-America Real Estate Group
- **E. James Keledjian**, Pathway Senior Living
- **Marc Geall**, Tanesay Development

FINANCE

- **Neil Freeman**, Aries Capital
- **Andrew Wilson**, Aries Capital
- **Leslie Andren**, Bank of America
- **Tracy Sanchez**, City of Chicago
- **Jack Markowski**, Community Investment Corp.
- **Rick Tannenbaum**, E.L.K. Capital Advisors
- **Sue Blumberg**, Northmarq Capital

INVESTMENT

- **Allan Sweet**, AMLI Residential
- **David Friedman**, Ares Capital
- **Brian Pohl**, Colliers International
- **Jeffrey Weinberg**, Drexel Properties
- **David Neithercut**, EQR
- **Lewis Ingall**, Heitman
- **Richard Gold**, Northfield Information Services
- **John Simon**, Simon Group
- **Richard Cavanaugh**, Stoneleigh Companies
- **Richard Hurd**, Strategic Capital Partners
- **Robert Bollhoffer**, Strategic Capital Partners

LEGAL AND TAX

- **Jim Hochman**, Coman & Anderson
- **Melissa Roberts**, Euclid Insurance
- **Edward Hannon**, Freeborn & Peters
- **Richard Wendy**, Freeborn & Peters
- **Laurie Randolph**, Hinshaw & Culbertson

MARKET ANALYSIS AND VALUATION

- **Chuck Dannis**, Crosson Dannis, Inc.
- **Kari Olbrecht**, Cushman & Wakefield
- **Rick Sinkuler**, Ernst & Young
- **Simone Schuppan**, Grubb & Ellis
- **Mary Ludgin**, Heitman
- **David Watkins**, Heitman
- **Jacques Gordon**, LaSalle Investment Management
- **Larry Lund**, Real Estate Planning Group
- **Tracy Cross**, Tracy Cross & Associates

PROJECT MANAGEMENT

- **Ujjval Vyas**, The Alberti Group
- **Joe Antunovich**, Antunovich Associates
- **Robert Helle**, Pathway Senior Living
- **John Hamilton**, Walsh Construction
- **Erin Aleman**, CMAP

TECHNOLOGY

- **Ellen Hayes**, Realogic
- **Dan Osten**, CoStar

URBAN PLAN

The Urban Plan program is a three week workshop developed by the Urban Land Institute and the University of California. This program has been used in both architecture and business schools and was introduced in the Midwest at DePaul.

In this program, student development teams respond to a "Request for Proposal" for the redevelopment of a blighted neighborhood in a hypothetical community. Each team member assumes one of five roles: finance director, marketing director, city liaison, neighborhood liaison, or site planner.

Through these roles, students develop a real-life understanding of the various stakeholders in the urban planning and development process and the challenge of reconciling the stakeholders' often competing agendas to create a well-designed, sustainable project.

Teams address challenging financial, social, political, and design issues, develop a pro-forma and three-dimensional model of their plan, and present their proposal to a "City Council" of ULI member jurors. During the three week project, local urban planning professionals interact in class with the student teams prior to the student teams' final presentations.

Recent ULI jurors have included:

- **Ben Ranney**, Terra Firma
- **Matt Nix**, Kinzie Real Estate Group
- **Pete Tortorello**, Newcastle Ltd
- **John Mays**, Gould & Ratner

TECHNOLOGY IN THE CLASSROOM

Site To Do Business (STDB), the demographic and mapping program from CCIM, is used in all introductory classes and in the advanced market analysis and valuation courses and other advanced courses. We also provide access to Costar to our graduate students and SNL (a comprehensive REIT database and analysis tool) to students enrolled in Real Estate Finance and Real Estate Investment courses.

ARGUS, the industry standard software program for real estate analysis, is used extensively in RE570 Advanced Real Estate Analysis. This course provides an in-depth investigation of commercial real estate investment opportunities through the understanding and valuation of leasing and sales activities at the very detailed property level. Argus – DCF is used throughout the course for lease and sales analysis as part of the case work. The course also uses CoStar and STDB as market data resources.



IN THE CLASSROOM cont.

STUDENT PROJECTS



RIVER NORTH LAND USE PLANNING CASE PROJECT

At the undergraduate level, we have found that it is often a challenge to get students to understand how the textbooks and assignments fit into the real world. This led us to develop a workshop and series of assignments for introductory course RE350 Real Estate Analysis, to give students exposure to the complexities of the built environment through actual site analysis and modeling techniques.

In the first workshop, a national developer of significant capability has assembled several full and partial vacant city blocks in the middle of the River North area, on the edge of downtown Chicago. This developer, in order to decide just how to use this land, has assembled a team of real estate planning professionals to create a redevelopment plan for this area.

The students first walk the neighborhood and then, working in teams of four or five, act as a planning team with the task of developing a schematic land use plan for this land assemblage. In order to develop this land use plan, the teams build a site/area model working with Legos on a site board. Each Lego color represents a particular land use. The teams have to deal with issues about height and layout and green space and parking through the physical medium of the Lego on the site board.

In the next stage of the course, students focus on a specific block in the redevelopment area for market and demographic analysis to determine potential viable uses for that block using Site to Do Business. The final project focuses on a single building in the redevelopment area to estimate investment value through proforma analysis considering cash flows and expenses.

Using real site analysis and modeling to help students understand the built environment...

CHICAGO MOTOR CLUB PROJECT

In the advanced graduate real estate development course, RE798 Development and Repositioning, students in teams of three or four looked at the redevelopment potential of the Chicago Motor Club Building, a classic 1928 Art Deco-style office building that needs repositioning to remain competitive as an investment opportunity.

Real Estate Center Sustaining Sponsor **Neil Freeman** and alumnus **Andrew Wilson**, both of Aries Capital, provided background information.

Each team investigated a different potential use – a remodeled office building, a hotel and an apartment building – from a physical, financial and market perspective and made recommendations to a potential investor panel of real estate executives from Chicago. ARGUS, CoStar and STDB were used extensively in the analysis process.



MENTORING, INTERNSHIPS & PLACEMENT

The Real Estate Center sponsors a Mentoring Program for undergraduate and graduate students each year so that our students interact directly with successful real estate executives in Chicago on a one-on-one basis.

The students are paired with senior Chicago real estate industry executives and they meet monthly for about two hours from October through April to ask their mentors questions about the real estate business and to discuss careers and career progression.

Our 2011/2012 Mentoring Program had 25 students and 25 mentors participating in the program.

ACTIVITY & PARTICIPANTS

Resume Support and Resume Book
Standard resume format developed.
Digital Resume Book on website
Participants: 50

Career Counseling with Steve Bell
Participants: 50

DePaul Mentoring Program
Participants: 25

Part-Time or Internships
Participants: 46

Full-Time Positions
Participants: 64

"I found my mentor, Mary Ludgin, to be easily approachable and accessible. Mary served as an invaluable resource for me to openly discuss my short and long-term career goals. She offered unbiased and industry-specific advice that proved to be helpful and constructive. It was a pleasure to be mentored by Mary, and I look forward to keeping in contact with her as my career progresses."

- ERIN CURRY





"I was fortunate
to have had several
great mentors early in
my career. Given that,
I jumped at the chance
to be part of DePaul's
mentorship program.
And, was I rewarded?
It has been a true delight
to mentor Erin Curry. I
anticipate great things
from her in her career."

- MARY LUDGIN,
*Managing Director and Director,
Global Investment Research & The
Real Estate Center Mentor*

Recognizing that time is a commodity, the Real Estate Center is grateful to the dedicated mentors who share their time and expertise with our students. The mentors for the 2011-2012 academic year were:

Matt Arminio, Elmdale Partners
Rick Cavanaugh, Stoneleigh Companies
Andy Corsini, KPMG*
Sheila Crawford, PNC Bank*
Michael Episcopo, Origin Capital Partners*
Bob Flannery, JRG Capital Partners
Neil Freeman, Aries Capital*
Doug Johnson, CBRE
Jim Keledjian, Pathway Senior Living*
Shobi Khan, GGP
Christy Lockridge, GE Capital
Mary Ludgin, Heitman

Jay Marling, Capright Property Advisors
Adam McGaughy, Jones Lang LaSalle
Doug Nieman, BMO Harris Bank*
Ted Notz, Associated Bank*
Nicholas Ocepek, U.S. Bank*
Meredith O'Sullivan, GGP
Rena Pulido, Ares Management
Bill Rogalla, KBS Realty Advisors
Craig Sieben, Sieben Energy Associates
Andrew Wilson, Aries Capital*
Lori Wittman, Ventas, Inc.*
Matt Wurtzebach, Draper and Kramer

* Sponsors of the Real Estate Center

DIGITAL RESUME BOOK & RESUME SUPPORT

The Real Estate Center has developed a digital "Resume Book" capability that allows our students to post their resumes directly on the Real Estate Center's website. Any potential employer or recruiter can go into our digital resume book and search by keywords to bring up resumes that meet their requirements. Consequently, our real estate students gain exposure to employment opportunities across the country and internationally.

Further, The Real Estate Center has developed a standard resume format for our students to use. **Steve Bell** worked with over 50 students this year in upgrading their resumes to this new format to assist them in their employment search. Currently there are 99 resumes posted for employers to review.

MENTORING, INTERNSHIPS & PLACEMENT cont.

JOB PLACEMENT & INTERNSHIPS

The Real Estate Center frequently works with Chicago real estate companies to assist them in identifying potential student candidates for full-time, part-time and internship positions. Working with these employers, The Real Estate Center develops a detailed description of the job opportunities and then solicits interest in these opportunities from our students by email. Depending on the employers' requests, resumes may be

submitted directly to employers or to the Real Estate Center for screening.

The following is a list of companies that The Real Estate Center has worked with directly on their recruiting needs during the 2011/2012 school year. Despite the slower economy, there has been continued strong interest in hiring DePaul real estate students. During the 2011/2012 school year, we have worked with 81 companies offering positions for 46 interns and 64 full-time positions.

“As our firm expanded in 2011, we had an immediate need for new employees. The students we hired from De Paul's undergraduate Real Estate and graduate Master in Real Estate and MBA programs were well prepared for the consulting work we do at Loan Management Solutions.”

- JOANNE M. CAMPANILE
Director, Loan Management Solutions



PART-TIME OR INTERN

A total of 46 positions

Aspen Capital Partners	IHDA
Aviv REIT	JAB
Banner Apartments	JK Equities
Beattie	JVM Realty
Brennan Investment Group	Keeler Real Estate
Century 21 Affiliated	Keller Williams
Clarion Associates	Lincoln Property Apartments
Colliers	Maven Management
Cushman & Wakefield	May Center Advisors
Danbe Partners	NAREIM
Darwin Realty	Prudential
Elmdale Partners	RE Solutions
Emerging Concepts	Ron Abrams
Envoy NNN	Singerman RE
Equity Residential	Sperry Van Ness
Federal Home Loan Bank	State Farm
First Midwestern Properites	The Habitat Company
Green Door Capital	U. S. Cellular
GSA	US Equities
ICSC	Weston Solutions

FULL-TIME

A total of 64 positions

Ablum Brown & Co	Inland American REIT
Allstate	Inland Real Estate
Baum Realty	Integra
BCGI American	JLL
Beckmann 2020	Jones Group
Benj. E. Sherman & Sons Inc.	Keeler-Fogg
Brennan Investment Group	Klafl Realty
CBRE	Letreco
Cohen Financial	Lincoln Property Apartments
Colliers	Lincoln Property Co.
CoStar	Loan Management Solutions
Dream Town	Marcus & Millichap
Essex Realty Advisors	McDonald's
First Eagle Bank	Newport Capital Partners
First Midwestern Properites	Pathway Senior Living
First Western Properties	PM Realty Group
Full Circle	Prudential
GlenStar	RETS Associates
Granger Properties	Savoy Development
Guggenheim Partners	Sperry Van Ness
Habitat	UGL
Heartland Bank	Ventas REIT
Heitman	Vernick & Associates
Hilco	Whirlpool
IHDA	

COLLEGIATE REAL ESTATE CONFERENCE 2012

The Real Estate Center's 8th Annual Collegiate Real Estate Conference attracted more than 100 students and 40 senior executive real estate professionals who served as panelists for eight different breakout sessions, each moderated by a DePaul alum or current student.

The event provides students with the opportunity to engage with real estate professionals who represent multiple disciplines in the industry.

The structure of the conference allows students to engage with established professionals on three levels: at a round table luncheon, at three breakout sessions of their choice and at the closing networking reception.

The luncheon speaker was **Ward Feste**, President of Peregrine Group, a major recruiting firm that specializes in senior level real estate placement. Mr. Feste shared his insights into starting a career in real estate.

This year's panelists were:

BROKERAGE

- **Rick Scardino**- Director, Lee & Associates
- **Jonathan J. Stein**- President, Inland Real Estate Sales, Inc.
- **Garry Weiss**- Managing Director, Jones Lang LaSalle Americas, Inc
- Moderator: **Chris Leggee**, Northmarq Capital

DEPAUL PARTICIPATED WITH THESE UNIVERSITIES...

- University of Cincinnati
- Indiana University
- University of Iowa
- University of Illinois at Urbana-Champaign
- Marquette University
- Notre Dame

CORPORATE REAL ESTATE

- **Nestor Eliadis**- Real Estate Finance Manager, Walgreens
- **Ralph Intagliata**- National Transaction Manager Nestle Waters North America, Inc.
- **LB Johnson**- Senior Director of Real Estate, Wal-Mart
- Moderator: **Nicole Drewery**, DePaul RE MBA

DEVELOPMENT/PROJECT MANAGEMENT

- **Jacque Judy**- Vice President, The Alter Group
- **Wilhelm Kreuzer**- Principal, Tartan Realty Group
- **Jan Morel**- Vice President, Town Builder Studios
- **Robert Lattas**- Attorney, Robert D. Lattas & Associates
- Moderator: **Andrew Wilson**, Aries Capital





FINANCE

- **Brett Brown**- EVP & CFO, Inland Real Estate Corp.
- **Thomas Fitzgibbon**- CEO, Talmer Bank & Trust
- **James Pape**- Senior Vice President, Associated Bank
- **Michael Rose**- Chairman & CEO, Metropolitan Capital
- **David Starr**- Vice President, US Bank
- Moderator: **Beth Sandon**, GE Capital

PROPERTY MANAGEMENT/ASSET MANAGEMENT

- **JoAnn Armenta**- President & CEO, Inland
- **Cory Cancila**- Senior Vice President - Human Resources, Equity Residential
- **Kelly Peters**- Regional Property Manager, Alter Asset Management
- **Joseph Neverauskas**,- Senior Vice President, BPG Properties, Ltd.
- **Norris Eber**- President, Abbell Associates
- **Brian Lantz**- Vice President, Lincoln Property Company
- Moderator: **Brian Lignelli**, Continuum Capital

REAL ESTATE LAW

- **Alina M. Evangelou**- Assistant General Counsel, Metropolitan Life Insurance Company
- **Ed Hannon**- Partner, Freeborn & Petters LLP
- **Patrick Turner**- Attorney, Maurides Foley Tabangay & Turner, LLC
- Moderator: **Jeff Smith**, DePaul RE MBA

REITS/INSTITUTIONAL INVESTMENT

- **James Clewlow**- CEO & Executive Vice President, CenterPoint Properties
- **Robert Garechana**- VP & Treasurer, Equity Residential
- **Daniel Huml**- Vice President, SFP
- **George Pandaleon**- President, Inland Institutional Capital Partners
- Moderator: **Bradley Emanuel**, ATI Capital

VALUATION/CONSULTING

- **Ron DeVries**- Vice President, Appraisal Research Counselors
- **Elizabeth Forstneger**- Director, Cushman & Wakefield
- **James Kutill**- Vice President, Appraisal Research Counselors
- **Michael MaRous**- President, MaRous and Company
- **Jay Marling IV**- Principal, Capright Property Advisors, LLC
- Moderator: **Tim Winnecke**, Cotter Consulting

CONFERENCES & EVENTS

SEVENTH ANNUAL REIA/ DEPAUL ECONOMIC UPDATE

September 27, 2011

Maggiano's Little Italy

The Real Estate Center and REIA joined forces to provide a mid-year look at the current state of affairs in real estate. This year's morning program was coordinated by:

- **E. James Keledjian**, Chairman, REIA and Principal, Pathway Senior Living, LLC
- **Neil Freeman**, Director, REIA and President, Aries Capital, LLC
- **Susanne Cannon**, Ph.D., Chairman, Department of Real Estate and Douglas & Cynthia Crocker Endowed Director, The Real Estate Center at DePaul University

The program featured a keynote speech from DePaul Real Estate Professor, **James Shilling**, Ph.D. on the outlook and future of REIT's.

SPECIALTY FINANCE

Moderator: Susanne Cannon, Ph.D, Chairman, Department of Real Estate and Douglas & Cynthia Crocker Endowed Director, The Real Estate Center at DePaul University

Speakers

- **John Markowski**, President, Community Investments Corp.
- **Michael Qualizza**, CFO, Urban Development Fund, LLC - Aries Capital LLC
- **Brian Lignelli**, Managing Partner, Continuum Capital Funding LLC

INSTITUTIONAL INVESTORS: OUTLOOK AND OPPORTUNITIES

Moderator

Charles H. Wurtzebach, Ph.D., George L. Ruff Visiting Professor in Real Estate Studies, DePaul University Department of Real Estate

Speakers

- **John D. Cobb**, Senior Vice President/CEO, Ventas Inc.
- **Christopher Kosonen**, Vice President, Starwood Capital Group
- **James Clewlow**, Executive Vice President/CIO, CenterPoint Properties
- **Matt Wakenight**, Senior Vice President-Investments, Equity Residential Properties





2012 COMMERCIAL REAL ESTATE FORECAST CONFERENCE

January 24, 2012
Chicago Marriott

The *Illinois Real Estate Journal*, together with the Real Estate Center and SIOR, hosted the 10th annual Commercial Real Estate Forecast. This is the largest and longest running event of its kind in the Chicago area with more than 1000 real estate professionals attending this year's event.

Susanne Cannon, the Douglas & Cynthia Crocker Endowed Director of the Real Estate Center, moderated two panels:

FINANCING AND INVESTING STRATEGIES

- **Laura Auwerda**, PNC Real Estate
- **Aaron Lanski**, BMO Harris Bank
- **John Gavin**, Sterling Bay Companies
- **Collete English-Dixon**, Prudential
- **Cydney White**, Equity Residential

INVESTMENTS

- **Steven Weinstock**, Marcus & Millichap
- **Paul Lundstedt**, CBRE
- **Peter Block**, Colliers
- **Brent Burden**, Zifkin Real Estate Group
- **Marc Boorstein**, MJ Partners
- **Don Shapiro**, Foresite Realty.



CONFERENCES & EVENTS cont.

CONNECTING DIGITAL & PHYSICAL SPACE: SOCIAL MEDIA & TECHNOLOGY'S IMPACT ON HOW & WHERE WE WORK, LIVE & SHOP

February 29, 2012
DePaul University



The Chaddick Institute and The Real Estate Center partner every year to host a conference related to land use and real estate. The aim of this conference was to explore the ways in which advancements in technology and social media are influencing the ways that physical spaces, as well as the people who occupy them, are evolving to meet the new demands of a technology-driven culture.

The program opened with an overview of the social media industry presented by experts **Barry Krause**, CEO and founder of Suite Partners and **Gian Fulgoni**, Executive Chairman and co-founder of comScore, Inc.

Krause turned the podium over to architect, **Christine Carlyle**, principal and director of planning at Solomon, Cordwell Buenz. Carlyle shared her experiences of how the retail world is changing as a result of internet shopping.

The topic then moved from retail to multifamily housing with **David Santee**, executive vice president at Equity Residential. EQR is using technology in creative ways to manage leasing, releasing and their relationship with tenants, including managing hundreds of packages a day with the rise of online shopping.

Following the multifamily housing segment, the discussion moved to explore work and the workplace. **Tracy Wymer**, vice president of workplace strategy at Knoll Inc. **Jeanette Lenear**, director of interiors at VOA and **Tracy Browsers**, director of performance environments at Herman Miller, participated in this panel discussion.

To conclude the conference, **Kirk Bishop**, vice president at Duncan Associates, talked about issues that city planners must consider when planning for the future as retail, office and living

REAL ESTATE RESEARCH INSTITUTE ANNUAL CONFERENCE

May 2-3, 2012
DePaul University, Loop Campus

On May 2-3, more than 70 academic and industry real estate scholars gathered at DePaul University to discuss the latest in real estate research. In

addition, the Department of Real Estate's **James Shilling** was a moderator for the discussion of a paper called "Corporate Investment in Commercial Real Estate with Costly Reversibility."

He also concluded his term as president of RERI while **Susanne Cannon**, previously a member of the Advisory Board, was elected to the Board of Directors.



Participating in the annual conference are, from left to right in the first row: Christy Lockridge, David Neithercut, Debra Cafaro, Douglas Crocker and Susanne Cannon; in the back row: Charles H. Wurtzebach, Ph.D., Stephen Quazzo, Kim Redding and David Schwartz.

RIDING THE REAL ESTATE RECOVERY: IDENTIFYING AND MAXIMIZING OPPORTUNITIES IN A REVIVING MARKET

June 7, 2012

The Union League Club, Chicago

Key Note Speaker

Sam Chandan, Ph.D. FRICS, President and Chief Economist, Chandan Economics

FROM WHERE I SIT

- **George Kohl**, Senior Managing Director, CBRE
- **Christy Lockridge**, Regional Manager, GE Capital Real Estate
- Moderated by **Charles H. Wurtzebach**, Ph.D., George L. Ruff Visiting Professor in Real Estate Studies, Department of Real Estate, DePaul University

In this conversation the two panelists compared their perspectives on supply and demand of capital, changing occupancy trends by tenants and other critical issues.

THE VIEW FROM ABOVE

- **Debra Cafaro**, Chairman and CEO, Ventas, Inc.
- **David Neithercut**, President, Chief Executive Officer and Trustee, Equity Residential
- **Stephen Quazzo**, Co-Founder and CEO, Pearlmark Real Estate Partners, LLC
- **Kim Redding**, Chief Executive Officer and Chief Investment Officer, Brookfield Investment Management Inc.
- **David Schwartz**, Co-Founder and Managing Member, Waterton Associates, LLC
- Moderated by **Douglas Crocker**, Chairman, Pearlmark Multifamily Partners, and an Executive in Residence as well as Founding and Sustaining Sponsor of the Real Estate Center

There was broad agreement about the success of multifamily residential and health care real estate throughout the recent downturn; the discussion focused attention on the cost of debt and its impact over the next refinance cycle where rates are expected to rise 400 basis points. The conversation between this exceptional group of major players in real estate was casual, friendly, and funny in turns.

CONFERENCES & EVENTS cont.

COMMERCIAL REAL ESTATE VALUATION

October 14, 2011

DePaul University Loop Campus

Ron DeVries, Vice President of Appraisal Research Counselors, taught this one day program focused on real estate appraisals as the benchmark for commercial transactions.

MEETINGS AND COMMUNITY INVOLVEMENT

AMERICAN REAL ESTATE SOCIETY

DePaul Real Estate faculty played a key role at this year's annual ARES conference in St. Petersburg, Florida on April 17-21.

For the fifth year, **Susanne Cannon**, the Douglas & Cynthia Crocker Endowed Director of The Real Estate Center, served as Chairman of the Education Committee and developed a 9-session track for college and university professors, adjuncts, and industry educators.

The general theme for the 2012 meeting was designed to attract new teachers, adjunct

faculty, those developing technology applications, and those building a real estate program. Included were six panels and round-table discussion sessions, two research paper and case study sessions, and a wrap-up and planning session.

EUROPEAN REAL ESTATE SOCIETY

Susanne Cannon participated in the European Real Estate Society's (ERES) seventh annual Education Seminar on Dec. 2nd and 3rd at the Henley Business School-University of Reading.

Cannon participated in the panel that explored Global Perspectives on the Future of Real Estate Education.



ACTIVITIES OF THE DIRECTOR

Susanne Cannon maintains an active presence in the Chicago real estate community through:

- Chicago Association Of Realtors Education Foundation Board
- Community Investment Corporation Board
- Greater Chicago Food Depository Blue Ribbon Panel
- Urban Development Fund Advisory Board

In addition she participates in national organizations and meetings:

- ULI Inner City Council: Vice Chairman
- RERI Advisory Board

ULI FALL MEETING- INNER CITY COUNCIL

Cannon moderated a panel on California Redevelopment Agencies--Jumping into the Fray, featured panelists:

- **Carolyn Hull**, Regional Administrator, South LA Region, Community Redevelopment Agency/Los Angeles
- **Robin Hughes**, President and Chief Executive Officer, Abode Communities
- **Elizabeth (Libby) Seifel**, President, Seifel Consulting Inc.

ULI LAND USE IMPACTS OF TRANSPORTATION REVENUE

Cannon was an Invited participant in ULI's Shaw Forum on the land use impacts of transportation revenue mechanisms. The research project aims to raise awareness of the potential land use impacts of taxes on vehicle miles traveled, tolls, and congestion pricing. The workshop took place in Washington, DC on June 5, 2012.

She was a participant in the review of two academic programs:

- Georgia State University Academic Program Review
- Portland State University Accreditation Review

ACTIVITIES OF THE FACULTY

Charles H. Wurtzebach, the George L. Ruff Visiting Professor in Real Estate Studies, serves on:

- The Board of Directors of the Inland Diversified Real Estate Investment Trust
- The Chairman on their Audit Committee of Inland Diversified Real Estate Investment Trust

James Shilling, the Michael J. Horne Chair in Real Estate Studies, serves as:

- A board member of the Bank of Deerfield
- President of ASRES
- President of RERI

PUBLIC APPEARANCES AND PANELS

JONES LANG LASALLE

Susanne Cannon presented an economic outlook for brokers who have been in the real estate business for less than ten years.

REAL ESTATE FINANCE FORUM

The Real Estate Finance Forum (REFF) hosted an economic forecast event at DePaul University on January 11, 2012 which featured presentations by

Susanne Cannon, Chairman of the Department of Real Estate and Charles Wurtzebach, the George L. Ruff Visiting Professor in Real Estate Studies.

YOUNG REAL ESTATE PROFESSIONALS LUNCHEONS

YREP -Young Real Estate Professionals, an organization of real estate professionals with 1-2 years of experience. YREP engages a wide variety of professionals in the industry to discuss current trends and industry specifics each month. DePaul University hosted 6 meetings for YREP this year.

DEPAUL REAL ESTATE ALUMNI ALLIANCE (DREAA)



The DePaul Real Estate Alumni Alliance (DREAA) is an alumni organization that strives to connect alumni to the University, the Real Estate Center and to each other, to provide valued services to members for professional development, and to support the University's mission of teaching, research, and public service. Membership is free and available to all DePaul alumni working in the real estate industry.

BOARD OF DIRECTORS

PRESIDENT

Michael Episcopo

Origin Capital Partners, LLC

VICE PRESIDENT

Joe David

TREASURER

Andrew Wilson

Aries Capital, LLC

SECRETARY

Jan Morel

Town Builder Studios

BOARD MEMBERS

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Strategic Capital Partners, LLC

Chris Leggee

NorthMarq Capital

Stephanie Matko

American Realty Advisors

Bill Rogalla

KBS Realty Advisors



DREAA EVENTS

The organization coordinated the following events to help cultivate a fun environment for social interaction and professional networking.

SOCIAL EVENT AT RIVERS RESTAURANT

August 2011

Rivers Restaurant

DREAA hosted this informal networking reception for alumni, students and real estate professionals. This reception encouraged those attending to further construct and build their networks within the Chicago real estate community.

MONDAY NIGHT FOOTBALL AND BOWLING WITH REAL ESTATE PROFESSIONALS

November 2011

10Pin Bowling Lounge

This informal networking event was open to alumni and Chicago-area real estate industry professionals.

BLUE DEMON BASKETBALL EVENT

February 2012

Allstate Arena

DREAA partnered with DePaul Basketball to host a networking game experience at the Allstate Arena. It was an opportunity for DREAA members based in the greater Chicagoland area to connect and catch the DePaul Blue Demons in

Big East action. DREAA secured a private party deck to watch the game and socialize with fellow members.

NCAA TOURNAMENT REAL ESTATE NETWORKING EVENT

March 2012

A Tishman Speyer Sponsored Event at 30 N LaSalle

Tishman Speyer collaborated with DREAA to provide a venue with multiple plasma TVs and comfortable seating for watching all the action. There wasn't a bad seat in the house for watching the tournament!

THE REAL ESTATE CENTER 2012 ANNUAL CONFERENCE

June 2012

The Union League Club

"Riding the Real Estate Recovery: Identifying & Maximizing Opportunities in a Reviving Market" was the 10th spring conference produced by The Real Estate Center at DePaul University, and it was the first to be co-hosted by The DePaul Real Estate Alumni Alliance.

DREAA members recruited and secured all of the event sponsors: Origin Capital, Aries Capital, Draper and Kramer, and Northmarq.

DEVELOPMENT

The Real Estate Center relies on outside sources of funding in order to provide valuable programs and support services to our students. Recognizing the need to enlarge the funding pool, the Center collaborated with the Sponsor Executive Committee to develop a tiered sponsorship program that includes four levels of support with corresponding benefits. All sponsorships are renewable annually and may consist of corporations, trusts, foundations, associations, or individuals.

SUSTAINING SPONSOR: \$10,000 AND ABOVE

Benefits Exclusive to Sustaining Sponsors:

- Leadership role guiding the Center by serving on its Executive Committee
- Company logo on DePaul REC website's homepage
- Listing on REC letterhead
- Two complimentary tickets to annual fall conference*
- Two complimentary tickets to annual spring conference*
- Participate in the spring and fall annual sponsor business meetings

In addition to the exclusive benefits, Sustaining Sponsors also receive:

- Listing with hyperlink to company on sponsor page of REC Website
- Listing in monthly e-newsletter (distribution to over 5000 industry professionals) with hyperlink to company
- Recognition in Center-related events and marketing materials
- Recognition in Annual Report

CONTRIBUTING SPONSOR: \$5,000-\$9,999

- Listing with hyperlink to company on sponsor page of REC Website
- Listing in monthly e-newsletter (distribution to over 5000 industry professionals) with hyperlink to company
- Recognition in Center-related events and marketing materials
- Recognition in Annual Report
- One complimentary ticket to annual fall conference*
- One complimentary ticket to annual spring conference*

SUPPORTING SPONSOR: \$2,500-\$4,999

- Recognition in Annual Report
- Listing on REC website

FRIEND OF THE CENTER: \$1,000-\$2,499

- Recognition in Annual Report

This year's recruiting efforts secured the support of several new sponsors and donors: Antunovich Associates, US Bank, Duane Morris, the Inland Real Estate Group, Metropolitan Capital Bank and Thompson Coburn LLP.

** Individual (or charitable trust or foundation) gifts to DePaul University will be acknowledged with a gift receipt which can be used for tax purposes. Corporate contributions are considered sponsoring partnerships, eligible for benefits based on sponsorship level.*



"ASTHEREALESTATEINDUSTRY in the United States continues to recover, it's imperative to have informed professionals capable of making smart decisions on all sides of a real estate transaction. DePaul's program is helping to build that talent pool."

- DON PAFFORD, *U.S. Bank Commercial Real Estate*

SUSTAINING SPONSORS

Antunovich Associates was an early supporter of the Center as one of the original Founding Sponsors. This year, the firm renewed its sponsorship and joined the Center as a Sustaining Sponsor.

US Bank joined The Real Estate Center as a Sustaining Sponsor to help support student and professional programs for the industry. Don Pafford, senior vice president and Chicago market manager for U.S. Bank Commercial Real Estate, will be representing US Bank on the Center's Executive Committee.

CONTRIBUTING SPONSORS

The Inland Real Estate Group of Companies, with more than 40 years of experience, provides real estate services, investment opportunities and experienced leasing professionals in retail, office, industrial and multifamily markets. **Nicole Spreck**, director of Inland's Media Relations, will be representing Inland at the Center's meetings and events.

Duane Morris, a law firm with more than 700 attorneys in offices in the United States and around

the world, committed to supporting the work of the Center at the Contributing Sponsorship level.

Daniel Kohn, a partner of the firm, will be Duane Morris' primary representative at Center meetings and events.

SUPPORTING SPONSOR

Metropolitan Capital Bank, a Chicago-based, Federal Reserve-regulated financial holding company, is the first company to join the Center as a Supporting Sponsor. Metropolitan Capital Bank's Chairman, **Michael Rose**, will represent the bank at Center events.

FRIEND OF THE CENTER

Thompson Coburn LLP's Chicago law office represents a variety of business clients in a broad range of industries, including manufacturing, banking, real estate, insurance, leasing, risk management, and professional and financial services. **Paul Macon**, a partner of the firm, will be the representative at Center events.

RESEARCH

James D. Shilling is the author of several recently published papers on housing issues and commercial real estate.



PUBLISHED PAPERS

Susanne E. Cannon and Rebel A. Cole. 2011. Changes in REIT liquidity 1998-2007: Evidence from daily data. *Journal of Real Estate Finance and Economics* 43, 258-280

Susanne E. Cannon and Rebel A. Cole. 2011. How accurate are commercial real-estate appraisals? Evidence from 25 years of NCREIF sales data. *Journal of Portfolio Management* 5, 68-88.

Susanne E. Cannon and Thomas D. Berry. 2011. Victory Center at Roseland. *Real Estate Review* 40, 41-60.

James D. Shilling and Charles Wurtzebach. 2012. Is Value Added and Opportunistic Real Estate Investing Beneficial? If So, Why?. *Journal of Real Estate Research* (in print).

Charles Wurtzebach and John McMahan. 2011. Victory Island Public Employees' Retirement System. *Journal of Real Estate Practice and Education*, 14, 71-87.

ACCEPTED FOR PUBLICATION

Charles Wurtzebach and John McMahan. 2012. Barton State Teachers Retirement System. *Journal of Real Estate Practice and Education*.

PAPERS UNDER REVIEW

James D. Shilling
Three Years After Takeover, How Have Fannie Mae and Freddie Mac Benefited the U.S. Housing Market?

Patric H. Hendershott, Kyung-Hwan Kim, Jin Man Lee, and James D. Shilling
Announcement Effects: Taxation of Housing Capital Gains in Seoul

Yuichiro Kawaguchi, J Sa-Aadu, and James D. Shilling
REIT Stock Price Volatility: A Puzzle?

Jonathan Dombrow, Jin Man Lee, and James D. Shilling
Why are Adjusted Delinquency Rates on Single-Family Residential Mortgages Increasing?

Mark Eppli, Hoon Cho, and James D. Shilling
Agglomeration Risk in Retail Shopping Centers

Jin Man Lee and James D. Shilling
Financing Needs of Small Unit Rental Properties

Richard Chung, Scott Fung, James D. Shilling and Tammie X. Simmons-Mosley
REIT Stock Market Volatility and Expected Returns

James D. Shilling and Tammie X. Simmons-Mosley
What Drives Commercial Real Estate Investment Spending? Is it Low Interest Rates, Hurdle Rates that are Set Too Low, or A Combination Thereof?

James D. Shilling, C.F. Sirmans, and Barrett Slade

Who Says there is a High Consensus Among Analysts when Market Uncertainty is High? Some New Evidence from the Commercial Real Estate Market

James D. Shilling and Tien Foo Sing

The Puzzling Behavior of Commercial Real Estate Prices

Jonathan Dombrow, Jin Man Lee and James D. Shilling. 2011.

Why are Adjusted Delinquency Rates on Single-Family Residential Mortgages Increasing?

Jonathan Dombrow and James D. Shilling. 2011. Moral Hazard and Adverse Selection for Subprime Lending and Securitization – Priced or not Priced?

WORK-IN-PROGRESS

James D. Shilling

Forecasting Private Equity Real Estate vs. Publicly-Traded REITs in the Year 2020

Brian A. Ciochetti, Rose Lai, and James D. Shilling

The Benefits of International Real Estate Diversification: New Evidence using a Rational, Sentiment-Based Model of Private and Public Equity Securities

Jonathan Dombrow, Patric H. Hendershott, and James D. Shilling

Testing for Self-Selection with Fannie, Freddie Bounce-Back Loans

James D. Shilling and Charles H. Wurtzebach

The Relative Performance of Private Equity Real Estate Joint Ventures

Jin Man Lee and James D. Shilling

Coase's Theorem and Its Implications for the Housing Crisis

Jonathan Dombrow, Sam Kahan, and James D. Shilling

Are Homeowners Insolvent Because of Dumb Luck or Extravagant Spending Behavior? – Evidence from Micro Data for Chicago

Jin Man Lee, Kiat Ying Seah, and James D. Shilling

What Level of Risk Aversion Can Reconcile the Fall-Out Rate in Pending Home Sales?

Bo Liu, James D. Shilling and Tien Foo Sing

Credit Expansion of Financial Institutions and Rental Choice in Metropolitan Areas

Jonathan Dombrow

Are House Price Indexes Truly Representative of the Housing Market?

Jonathan Dombrow

Quick House Sales: The Influence of Local Supply and Demand.

Jonathan Dombrow and John Harding

The Mortgage Choice and Its Implications.

Jonathan Dombrow and Mauricio Rodriguez

The Pricing Impact of Housing Addresses" with M. Rodriguez.

Jonathan Dombrow and Geoff Turnbull

Modeling the Institutional Choice in the Foreclosure Process.

Jonathan Dombrow, Geoff Turnbull and James D. Shilling

Measuring the Externality Effects of Foreclosures.

Jonathan Dombrow and Geoff Turnbull

Homeownership Decisions and Locational Choice of Real Estate Agents.

Jonathan Dombrow and Geoff Turnbull

Repeat Sales with Spatial Competition and Bargaining

Jonathan Dombrow

Measuring the Effects of the Shadow Market in Housing Markets.

RESEARCH cont.

PAPER PRESENTATIONS

AREUEA Annual Meeting **Chicago, IL, January 2012**

James D. Shilling, Can Rent-to-Own or Own-to-Rent-to-Own Programs Help Stabilize the Housing Market? Presentation to WREN Breakfast.

ARES Annual Meetings **St. Petersburg, Florida, April 2012**

- Bo Liu, James D. Shilling, and Tien Foo Sing, Credit Expansion and Residential Mortgage Institutions.
- Jin Man Lee and James D. Shilling, Small Unit Rental Properties Financing Needs.
- Panelist, Real Estate Panel: The Future of the U.S. Mortgage Market

Asian Real Estate Society Meeting **Singapore, July 2012**

James D. Shilling and Charles H. Wurtzebach, The Relative Performance of Private Equity Real Estate Joint Ventures.

NATIONAL

Charles Wurtzebach, Texas A&M University, "Institutional Real Estate Investment in a Post Global Financial Crisis Market," Alvarez & Marsal Real Estate Advisory Services, St Charles, IL. (May 2012).

INTERNATIONAL

Charles Wurtzebach, 2012 AsRES & AREUEA Joint International Conference, "Who's Flipping, Who's Holding and for how long?," Asian Real Estate Society & AREUEA, Singapore. (July 2012).

James D. Shilling and Charles Wurtzebach, 2012 AsRES-AREUEA Conference, "The Relative Performance of Private Equity Real Estate Joint Ventures," ASRES-AREUEA, Singapore. (July 2012).

Charles Wurtzebach, AsRES-AREUEA Annual Conference, "An Analysis of Dependence Structure between the Real Estate Markets and Financial Markets in the U.S.," Asian Real Estate Association, Singapore. (July 2012).

James D. Shilling and Charles Wurtzebach, GCREC 2012 Annual Conference, "The Relative Performance of Private Equity Real Estate Joint Ventures," Chinese Real Estate Congress, Macau S>A>R>, China. (July 2012).

INVITED PRESENTATIONS

James D. Shilling **Pennsylvania State University, October 2011**

Three Years After Takeover, How Have Fannie Mae and Freddie Mac Benefited the U.S. Housing Market?

MEDIA PRESENTATIONS

James D. Shilling, PhD., is the Michael J. Horne chair in real estate studies and a widely recognized expert in real estate matters. He is often interviewed by local, regional and national newspapers, television and radio outlets, as well as real estate and financial Internet sites.

He was featured in the following article:

Chicago Tribune

Credit Crunch Constrains Mom and Pop Rental Buildings
Owners of Smaller Apartment Buildings in Cook County have Limited Access to Financing, Making Upkeep, Improvement Difficult.
3/30/2012

THE INSTITUTE FOR HOUSING STUDIES

The Institute for Housing Studies (IHS) is a research center situated in the Real Estate Center at DePaul University. IHS was created in 2007 with support from the **John D. and Catherine T. MacArthur Foundation** through the Preservation Compact, a collaborative effort to address the loss of affordable rental housing stock in Cook County.

IHS's mission is to provide affordable housing practitioners, government agencies, and community-based organizations with reliable, impartial, and timely research and data about the state of affordable housing.

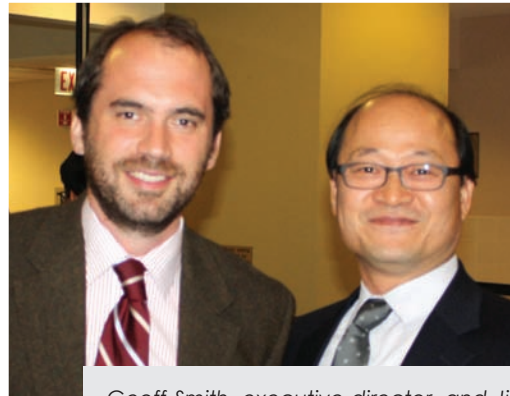
IHS's research helps housing practitioners understand often rapidly changing conditions in local housing markets; influences policy decisions; measure the impact of interventions; and raises awareness of emerging affordable housing issues.

IHS accomplishes this mission through:

- **Data Collection** - IHS manages an extensive Data Clearinghouse that brings together public and private data on housing market activity.
- **Research** - IHS mines the rich housing data collected in its Data Clearinghouse to produce research that informs the local and national policy debates around the preservation and production of affordable rental housing and the health of neighborhood housing markets.
- **Community Engagement** - IHS maintains strong relationships with key local and national housing practitioners.

In 2011 and 2012, the Institute hired a number of new staff members:

- **Geoff Smith** came on as Executive Director in July 2011. He brings years of experience producing research on the dynamics of neighborhood housing markets and connecting that research to a broad range of housing practitioners.



Geoff Smith, executive director, and Jin Man Lee, research director.

- **Sarah Duda** joined IHS as Assistant Director in October 2011. Sarah directs the IHS's applied research and works with the Executive Director to ensure the Institute's work addresses the region's evolving challenges around access to affordable rental housing and neighborhood stability.
- **Dave McQuown** joined IHS in May 2012 as Research and Policy Analyst. Dave assists staff with the Institute's research and analysis and is responsible for mapping production for IHS reports.

RECENT PUBLICATIONS

Cash or Credit: The Role of Cash Buyers in Cook County's Housing Market

This report examines residential property sales activity in Cook County from 2005 to 2011 and explores the role that cash buyers are playing in different segments of the County's housing market. Among other findings, it shows that cash buyers are particularly dominant in communities heavily affected by the foreclosure crisis. This analysis is the first in a series of IHS data indicator reports and sets a baseline for future research into the importance of access to credit and the impact of investor activity on neighborhood recovery.

THE INSTITUTE FOR HOUSING STUDIES cont.

Credit Constraints for Small Multifamily Rental Properties

This working paper and research brief examine the challenges that small apartment building owners face when attempting to access credit. It quantifies the gap between the expected supply of and demand for credit for apartment buildings of different sizes. It shows that the vast majority of 10 to 49 unit building owners are credit constrained, meaning they are unable to access credit equal to their expected demand.

The State of Rental Housing in Cook County

This report examines how changes in the housing market in recent years have impacted renters and access to affordable rental housing in Cook County. It includes an analysis of factors affecting the growing gap between the supply of and demand for affordable rental housing in Cook County and forecasts an even wider gap in 2020 if policy intervention is not taken.

MEDIA PRESENTATIONS

Housing Wire

DePaul study warns of growing gap in affordable rental housing
11/16/2011

Huffington Post

Affordable Rental Housing Difficult To Come By In Cook County: Report
11/16/2011

Examiner

Chicago SRO's: More evictions and more tales of two cities
11/22/2011

Pilsen Alliance

Cook County to have apartment shortage through 2020, report says
11/28/2011

Crain's

FHA loans plummet in Chicago area
12/1/2011

Huffington Post

Winnetka Affordable Housing Plan Rejected by Village Council
12/7/2011

Chicago Tribune

Chicago program turns vacant condo buildings into affordable rentals
1/6/2012

Crain's

Uncle Sam, listing agent
1/10/2012

Chicago Tribune

Mortgage modification program expanded to investors, others
1/27/2012

Crain's

Chicago area home prices plunge in November
1/31/2012

Crain's

Homeownership rates tumble along with the market
2/7/2012

ABC-7 News Chicago

Distressed homeowners welcome settlement
2/10/2012

The Word Network

Up Front with Jesse Jackson
2/11/2012

Crain's

Residential market facing further price declines in 2012
2/25/2012

WBEZ

Foreclosures jump in Chicago as banks
work through backlog
3/15/2012

Chicago Real Estate Daily

Mind over money for Chicago renters
3/20/2012

Crain's

Rehab for the housebound
3/26/2012

Chicago Tribune

Credit crunch constrains mom and pop
rental buildings
3/29/2012

Housing Wire

Limited financing stymies rehabilitation
of Chicago rentals
3/29/2012

WBEZ

Chicago's new foreclosure strategy?
More rentals
4/9/2012

Housing Wire

Dearth of affordable rentals cause for
concern, housing experts say
5/18/2012

Chicago Tonight

Chicago Home Prices Hit New Low
5/29/2012

Chicago Tribune

Cash is king in small apartment building sales
5/30/2012

Housing Wire

Cash deals keep Cook County
home sales afloat
5/30/2012

Housing Wire

Small REO-to-rental investors need financing
6/1/2012

Progress Illinois

Cash Purchases Of Properties Prevail In High
Foreclosure Areas, Long-Term Impact Uncertain
6/1/2012

Chicago Agent Magazine

53 Percent of Cook County Condo
Transactions Paid in Cash
6/1/2012

Stablecommunities.org

Report on Cash Buyers' Role in Cook
County Housing Market
6/22/2012



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