

The Marquette University Real Estate Program



MARQUETTE
UNIVERSITY

College of Business Administration

Recent Program Activities

- William Poole, President of the Federal Reserve Bank of St. Louis visits Marquette
- Small Business Times Commercial Real Estate & Development Conference
- ACRE Kick-off Event
- Circles Roundtables in Chicago

Building Real Estate Professionals

Real Estate Program hires Alumna as Associate Director

The Real Estate Program is pleased to announce the new appointment of Nicole Truog as the Associate Director in September. With the financial support of industry professionals and alumni, we were able to hire Nicole, a significant addition to our team. She is of tremendous assistance to Mark Eppli in running the program, and is helping us achieve our goal of becoming a nationally-recognized commercial real estate program.

Nicole brings a wealth of experience in banking and urban development to the program. Nicole moved back to Milwaukee after a career in banking at La-Salle Bank (Chicago) and a brief tenure working for former Milwaukee Mayor John Norquist at The Congress for the New Urbanism.

During Nicole's 8 years at La-Salle Bank she held a number of consulting and project management positions in departments such as Banking Operations and Business Performance Improvement and was also the Manger of Sustainable Development in the Community & Sustainable Development group. She managed the bank's North America sustainability team's efforts to implement social and environmental business practices and programs and also worked with local government, national and international NGOs, and employee stakeholders. Nicole received the YWCA of Metropolitan Chicago inaugural Promise Award in recognition for her civic and corporate leadership.

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Nicole Truog
Associate Director, Real Estate Programs

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Getting National Exposure . . .

Dr. Anthony Pennington-Cross (Dr. P-C), has had a busy fall as he was interviewed for two separate segments that aired on National Public Radio (NPR) and provided thought leadership to the Federal Reserve and at Harvard University.

Dr. P-C provided expert commentary on NPR's programs *All Things Considered* and *Market Place*. Robert Segal interviewed Dr. P-C for an *All Things Considered* segment called "Time for Renovation at the FHA?" which aired on September 18th. The segment discussed the possible use of the

FHA to provide a safe harbor for households currently holding expensive loans from the subprime market. During the *Market Place* interview, Dr. P-C provided commentary on subprime issues such as the efforts by the U.S. Treasury Department to make loan modifications of troubled loans more acceptable to investors and mortgage servicers as well as projections of future default driven losses. The NPR commentaries can be accessed at: <http://www.npr.org/templates/story/story.php?storyId=14509739>

http://marketplace.publicradio.org/display/web/2007/10/25/congress_tallies_up_subprime_losses/

In the coming weeks Dr. P-C (as he is fondly referred to by students around campus) will be giving a series of presentations about subprime lending to both local and national audiences.

Dr P-C was invited to present research at the Harvard University Business School Symposium called "Understanding

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St. Louis Fed President visits Marquette University

On November 6th and 7th, Dr. William Poole, President and Chief Executive Officer of the Federal Reserve Bank of St. Louis, visited Milwaukee to spend time with Marquette University students, faculty, alumni, and friends of the Real Estate Program.

Dr. Poole took office at the St. Louis Fed in March of 1998 where he directs the activities of the Bank's head office in St. Louis as well as its three branches in Little Rock, AK, Louisville, KY, and Memphis, TN. He is also one of 12 members of the Federal Open Market Committee (FOMC), the Federal Reserve's chief monetary policymaking body which recently voted for a reduction in the Fed Funds rate at the Sep-

tember and October meetings. Thanks to Dr. Anthony Pennington-Cross we were able to bring Dr. Poole to campus. Prior to joining Marquette University, Anthony was a Senior Economist in the Research Division at the Federal Reserve Bank of St. Louis where he lead research on subprime lending.

On Tuesday evening, November 6th, Poole joined friends of the Real Estate Program at a special event to discuss the subprime financial crisis. Attendees enjoyed extensive interaction with Dr. Poole and had the opportunity to ask questions that addressed, for example, the role of securitization, the importance of the Community Reinvestment Act, and recovery of the property markets.

Wednesday, November 7th was a full day for Dr. Poole. He began the morning by giving brief remarks and then addressing questions from a crowd of over 100 Marquette University College of Business Administration Economics and Finance undergraduate students.

A lunchtime event drew over 300 attendees. Dr. Poole gave a speech entitled *Market Healing* and discussed how financial markets recover from turmoil and he looked at recent troubles in the subprime mortgage market, comparing the current situation with past crises and recoveries. The event drew local and national press and was broadcast live on Bloomberg Television.



William Poole, President and Chief Executive Officer of the Federal Reserve Bank of St. Louis engages students and faculty on November 7, 2007

Dr. Poole's entire speech is available on line at the St. Louis Fed website: http://stlouisfed.org/news/speeches/2007/11_07_07.html

Associate Director

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Dean Shrock to serve as Interim Provost

Dr. David L. Shrock, Dean of Marquette University's College of Business Administration, will become Marquette's Interim Provost beginning on January 1, 2008. Dr. Dennis Garrett, Professor of Marketing, will serve as the interim dean.

Dean Shrock came to Marquette University in 1999 and under his leadership the Real Estate Program made its debut and has flourished. Please join us in thanking Dean Shrock for his support of our work and for his continued demonstration of vision, passion and commitment to the College of Business Administration and all of its stakeholders.

As Associate Director Nicole will work closely with Mark Eppli to extend Marquette's program in the region and nationally through professional development, outreach and engagement; student internships and job placement; and applied research. She is working to expand the Bell Real Estate Advisors and serves as the liaison between the academic program and the real estate industry. Nicole also administers the ACRE program and is working closely with Barry Mandel and his team to implement the revised program format.

Nicole is a proud graduate of Marquette's College of Business Administration and also holds a Master of Arts degree in Urban Development & Public Policy from Loyola University Chicago. In 2006 her master's thesis on urban sustainability was published by the Wessex Institute of Technology (United Kingdom). Additionally, she is an adjunct faculty member in Marquette's Graduate School of

Management, teaching a course on Corporate Social Responsibility.

"We are delighted to have Nicole on our team. She has made an immediate positive impact on how we run the program. I encourage friends of the program to get to know her and utilize her as a resource and bridge between the commercial real estate industry and the academic program here at Marquette," said Mark Eppli.

Nicole can be reached at nicole.truog@marquette.edu and 414.288.8041. Her office is in David Straz Hall, Room #332.



Students tour the Roosevelt Square Development

Real Estate Club . . . Continues to Grow

With word of the Marquette University Real Estate Club's spring 2007 trip to Chicago still being talked about around campus and the real estate industry, the club's leadership was approached by the Chicago-based Harold Eisenberg Foundation to partner with them on a fall 2007 student trip to the Windy City. Through much hard work and leadership (though studies did not take a backseat during the preparation), a two day career awareness event with six participating universities and 80 students took place on October 11th and 12th. Marquette made its presence felt with the largest number of participating students and Real Estate Club President (and College of Business Administration senior) Pat Biernacki playing emcee.

The event featured an interview session with John Bucksbaum, chairman of the Chicago-based real estate investment trust (REIT) General Growth Properties, Inc., and immediate past chairman of the ICSC, and keynote speaker David Bossy, president of the retail development and brokerage firm Mid-America Development Partners. Additionally, students got a first-hand look at residential developer

Related Midwest's Roosevelt Square six-phased mixed-income/mixed-use development project just minutes from the Chicago Loop. The tour also included a panel discussion with the project's development team. The career event was capped off with a series of roundtable discussions featuring many of Chicago's senior real estate professionals.

Following the conclusion of the event, the Real Estate Club had a unique opportunity to get a behind-the-scenes look at the landmark Hyatt Center building (71 S. Wacker Drive). Kevin Lynch, Pritzker Realty Group Senior Vice President and Chief Financial Officer, lead the tour and gave students insight into building project management and the development process as well as day-to-day building operations management. The Real Estate Club is also happy to report that with 73 members, it is the largest dues-paying organization in the College of Business Administration. Over the summer the Club launched a website to meet member's needs to and disseminate important club, college, university, and industry information.

Prior to Thanksgiving the Club will have visited Pabst Farms, spent two days in Chicago, and hosted representatives from CB Richard Ellis, Imperial Realty, the Harold Eisenberg Foundation, the Marquette University Architect, and Northwestern Mutual. Looking ahead to spring 2008, the Club has scheduled presentations from Chicago-based Pine Tree Commercial Realty and Shiner Group LLC, and is in the planning stage of a roundtable event to be hosted at Marquette and Club volunteer and civic engagement opportunities.

The Real Estate Club is continuously looking for speakers, site visits, internships and full-time positions and asks that any information or interest be emailed to the Club at reclub@mu.edu. For more information on the club visit www.reclubmu.org.



Don Biernacki, Related Midwest Senior Vice President, talks to students about Roosevelt Square



Kevin Lynch, Pritzker Realty Group Senior Vice President, shows students raw space at Hyatt Center

Laura Bray named 2007 Best Public Partner

Laura Bray, Executive Director of Menomonee Valley Partners Inc. (MVP) received the 2007 Robert B. Bell Sr. Best Public Partner Award at the fifth annual Small Business Times Commercial Real Estate & Development Conference (held on November 8th, 2007).

This award is given annually to someone working in the public sector who is an advocate for continued growth of commercial real estate development in Southeastern Wisconsin. Laura

received this award for her tremendous work with MVP on the revitalization of the Menomonee Valley Industrial Center.

We congratulate Laura for her dedication to this project and the City of Milwaukee.



Dr. Madeline Wake, Provost Marquette University (left) and daughter Laura Bray (right) of Menomonee Valley Partners



Back to the City . . .

Baby boomers make up 40 percent of the workforce and are beginning to retire, but are still looking to stay active and engaged in the workplace after they “retire”. Businesses are looking at ways to retain the human and intellectual capital of the baby boom generation.

What does this have to do with real estate? This was the question asked at this year’s Small Business Times Commercial Real Estate & Development Conference “Back to the City”. This event, held on Thursday, November 8th, drew over 600 attendees and locally and nationally-recognized speakers including Rocky Marcoux (Milwaukee Department of City Development Commissioner, MU Speech ‘82), Afshin Ghazi (founder and president of Charlotte, N.C. based The Ghazi Company), Tony Smith (practice

leader at S.B. Friedman & Company), and Brian Vandewalle (founder and president of Vandewalle & Associates). Dr. Mark Eppli, Professor of Finance and the Robert B. Bell Sr. Chair in Real Estate in Marquette’s College of Business Administration, moderated the event.

Milwaukee is fortunate in that it can boast that the AARP rated the city (in September/October 2007) as one of “Five Great Places to Live”. The organization cited Milwaukee’s condo developments, the urban renewal lifestyle and the access to entertainment and services as reasons why empty nesters are returning to urban living in our downtown neighborhoods. People of all ages are making the choice to return to our nation’s urban centers thus impacting down-

town commercial development. During the 11/8 event, Afshin Ghazi spoke about the unmet demand of urban condominiums. Ghazi’s company purchased land at 4th St. and Wisconsin Avenue (Milwaukee) and will add an entertainment district to downtown Milwaukee. Planned developments include condominiums, apartments, upscale (chain) restaurants, and a bowling alley bar that mixes martinis with bowling. Planned development projects in Milwaukee, if built, will add approximately 2300 condo units to the city, or a 6 year condominium supply (at an absorption rate of approximately 360 condos per year – the current Milwaukee rate). According to the U.S. Census Bureau, the nation will add about 32 million households between 2000 and 2025 and

only 4 million of these will have children. As such, 88 percent of the next generation of net new households will be without children; where they choose to live, work and play has a significant impact on our built environment. During the “Back to the City” event we had a chance to learn from the panelists about where this trend is taking us and how to prepare for the changing ways we live, work and play. We know that this discussion will continue in industry, government, service agencies, and it will continue to evolve as an issue influencing how and where development occurs.

Mark Eppli moderating the 5th annual Small Business Times Commercial Real Estate & Development Conference
November 8, 2007



Getting National Exposure . . . (continued)

Consumer Credit: Expanding Access, Informing Choices, and Protecting Consumers” and the Cleveland Federal Reserve Bank Seminar called “Payday and Predatory Lending.” In both cases he will present policy lessons learned from his research on the impact of mortgage predatory lending laws on subprime credit. His research reveals that some state mortgage laws have been designed to boost subprime lending while others are designed to substantially slow down lending. The impact depends on the nature of the restrictions placed on the market and the extent that the law covers the market.

In December, and on a more local front, Dr. P-C will present information about subprime lending and predatory lending issues in Wausau, WI, at an event organized by Mid Wisconsin Bank and at an event organized by the Rotary Club of Milwaukee.

The Committee on Financial Services (in the U.S. House of Representatives) has increasingly been referencing Dr. P-C’s research in national testimony as well. On October 16th 2007 a GAO report referenced his research. Stay tuned to keep track of where in the world is Dr. P-C.



The Real Estate Program

Building Real Estate Professionals

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Real Estate Program

Mission Statement

Provide the commercial real estate community with innovative, effective, ethically committed (in the Philosophy of St. Ignatius) applied real estate decision-makers through superior teaching, quality research and community outreach.

Meet the Real Estate Program Staff



Mark Eppli
Robert B. Bell, Sr.
Chair in Real Estate



Nicole Truog
Associate Director



Anthony Pennington-Cross
Associate Professor
in Finance



Christine Heebner
Administrative Support

ACRE Embarks on 4th Year

October 3rd marked the beginning of the 4th Associates in Commercial Real Estate (ACRE) class and the program change to a "Real Deal". The class is comprised of twenty-two students from various backgrounds who will work together to propose and implement an actual commercial real estate deal. In preparation for an applied class project students are studying The Mandel Group's Marine Terminal Lofts Project to use as a study of a real deal that can be applied to future development.

At the Class of 2008 kick-off event, held on October 10th, The Mandel Group extended the unique opportunity for all attendees to tour University Club Tower and learn what it took to build Milwaukee's premier condominium project.

On a related note, please join us in congratulating Barry Mandel on receiving the Time Warner Unity Award presented by the Milwaukee Urban League on November 8, 2007, for his work with the ACRE Program and his commitment to making Milwaukee a better place to live within its ethnic communities.

Eppli discusses ACRE on MPR

Mark Eppli was interviewed on Milwaukee Public Radio's Lake Effect on November 14th. Mark spoke about the ACRE program and the economic development and opportunity created through program graduates' work in Milwaukee.

You can listen to the interview at:

http://www.wuwm.com/view_le.php?articleid=323

Call for Entries

The Kohler Center for Entrepreneurship announces the 6th annual Business Plan Competition. Marquette University students, alumni, faculty and staff are invited to submit proposals for new business ventures.

Competition teams can expect to:

- Learn the content, scope and structure of a business plan
- Attend workshops to assist with the development and presentation of the plan
- Receive feedback from accomplished entrepreneurs and experts
- Network with fellow entrepreneurs from the Marquette community
- Compete for prizes

Information Session: November 26, 2007 - 6 PM - Straz Hall, Room 265
To register simply fill out a registration form and answer 3 simple questions.
Registration Deadline: December 10, 2007—Submission Fee \$50
(Undergraduates \$25)

For more information visit: www.mukohlercenter.org

Please send us your feedback!

We'd like to hear from you! If you have feedback about our programs, newsletter, events, etc., please send it to Nicole Truog at nicole.truog@marquette.edu.

Please feel free to forward this newsletter to your friends and colleagues; please encourage them to join our mailing list.