

JAMES A. GRAASKAMP COLLECTION OF TEACHING MATERIALS

IX. MISCELLANEOUS PROJECTS AND CORRESPONDENCE WITH INDUSTRY

B. Appraisal Research and Reform

1. Correspondence and Articles Re: National Council of  
Real Estate Investment Fiduciaries (NCREIF) Research  
Committee

a. Miscellaneous correspondence to organize and fund  
NCREIF Research Committee

*Real Estate Council  
Fiduciaries file copy*

# University of Wisconsin Madison

School of Business  
1155 Observatory Drive  
Madison, Wisconsin 53706

Graduate School of Business

May 1, 1983

## MEMORANDUM

TO: Prof. Jerry Weygandt  
FROM: Prof. James A. Graaskamp  
RE: Ongoing Research Opportunity

We made a presentation to the first annual meeting of NCREIF (see attached letter) which represents the major asset managers of real estate fund for pension programs. There were about 30 people in the Council representing about \$15 billion in real estate. One of their major concerns is the accounting/appraisal interface involved in establishing quarterly values, comparing performance of property types and asset managers, and establishing standards for public reporting of results to meet requirements of full disclosure.

The group is spearheaded by Bill Wendt, comptroller of PRISA and a specialist in investment accounting and Blake Eagle, the real estate specialist for the Frank Russell Company. They would like to have the University of Wisconsin School of Business very much involved in research to establish the elements of the above because of our nationally known accounting and appraisal programs. Jim Bower indicated I should talk to you as this subject area might be in your bailiwick and because you could always be tempted by well funded sponsors.

Bill Wendt would like to convene his research committee here in Madison June 6 and 7, a Monday or a Tuesday and would very much like to have you present.

Please give me a call to talk it over.

**NCREIF** NATIONAL COUNCIL OF REAL ESTATE INVESTMENT FIDUCIARIES

April 19, 1983

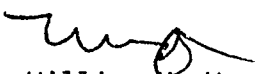
Professor James A. Graaskamp  
University of Wisconsin  
Graduate School of Business  
1155 Observatory Drive, Room 118  
Madison, Wisconsin 53706

Dear Professor Graaskamp:

I was extremely pleased with your willingness to accept membership on the Research Committee of the National Council, and we will be scheduling a meeting in late May or early June in Madison in order to discuss the future direction for this group. I am most anxious to see the National Council begin to sponsor and encourage research directly related to real estate in pension accounts and all the ancillary processes that support that.

Under separate cover, we have sent your expense account to Don Morse of Coldwell Banker, Treasurer of the National Council, who will send you the reimbursement.

Sincerely,

  
William M. Wendt

Prudential Insurance Company, 14 Prudential Plaza, Newark, New Jersey 07101

650 California Street, Suite 1800 • San Francisco, California 94108 • (415) 781-3300

# University of Wisconsin Foundation

---

702 Langdon Street  
Madison, Wisconsin 53706  
Telephone: 608-263-4545

June 10, 1983

Professor James Graaskamp  
#118 Commerce Building  
University of Wisconsin  
Madison, WI 53706

Dear Jim:

The University of Wisconsin Foundation would be pleased to set up a "Institute for Pension Fund-Real Estate Investment Fund".

The Fund will be comprised of contributions and bequests from interested alumni and friends including corporations and foundations. The sole purpose of the Fund, as we understand it, would be to aid the Program in its teaching, research, and public service roles.

The Foundation will be pleased to receive such gifts and grants, send appropriate acknowledgments, and maintain the Fund in accordance with the following general conditions.

The activities, programs, and projects supported by the Fund are to be determined by the program director.

You, as program director, are privileged to withdraw money by submitting a written request to the Foundation. The request should include a brief description of the use to be made of the sum or sums requested. Whenever possible, please provide us with ample time when making significant withdrawals. We also ask that requests for payment be grouped together as much as possible and that transfers to University funds maintained for your Program be budgeted on a semi-annual or annual basis. However, we can handle emergencies that occur from time to time. It is very unlikely, but should there be any requests for expenditures that may not be in keeping with general University policy or U.S. Treasury regulations, we will cooperate with you to seek whatever corrections may be necessary.

Page 2

The Foundation shall be entitled to reimbursement for any reasonable expense that may be necessary to the management and administration of the Fund.

On your request, portions of the Fund may be invested along with similar funds in the Foundation's Combined Trust Fund. The amount to be invested should not be less than \$5,000 and should be considered a long-term investment. With this arrangement, a proportionate share of earnings will be available for use on a quarterly or annual basis. The principal of the Fund will also be calculated on a quarterly basis and may fluctuate with the market value of the securities. At such time as you are able to invest amounts of \$20,000 or more, we will be pleased to make arrangements to use our short term investment pool which differs somewhat from the above investments.

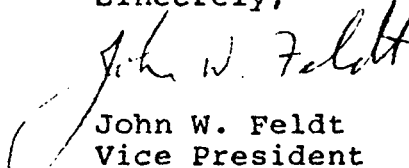
The above arrangements do not impose fiduciary duties or responsibilities on the Foundation or its officers.

In all correspondence, award listings or other publicity regarding the Fund or projects supported by the Fund, we request that the full legal name of the University of Wisconsin Foundation and the Institute for Pension Fund-Real Estate Investment Fund be used. The use of these names will encourage additional contributions to the Fund and insure proper receiving and crediting of gifts.


In accordance with Foundation and University policy concerning funds of this type, we will advise your Dean and the Chancellor about the proposed Fund. Should they have any questions, suggestions, or changes, we would be pleased to hear from them.

If these arrangements are satisfactory to you, please let us know by mail. The Fund will be assigned number 17-241.

Sincerely,

  
John W. Feldt  
Vice President

JWF/jm

Approved:   
Robert H. Bock, Dean  
School of Business

cc: Chancellor Irving Shain