

# Annual Review

Summer 1999

## Washington Center for Real Estate Research and WSU Real Estate Program: 1998-99

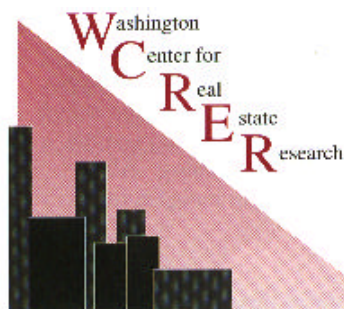
The Washington Center for Real Estate Research focused on securing both short and long-term funding during the 98-99 fiscal year. The challenges were magnified not only because the Real Estate Education Account administered by the Department of Licensing with the advice of the Washington Real Estate Commission is no longer capable of providing funding at the level of the last two biennia, but because of the veto of legislation passed by the Washington Legislature during early 1998. Staffing during the year has consisted of the Director, 75% of whose salary is covered by this project, a 3/4 time secretary, a graduate student in management information systems (through August 1998), and up to five undergraduate students.

Consulting projects provided the remaining funding for the Center. Projects were conducted during the period for:

- , Washington State Housing Finance Commission
- , Washington State Department of Licensing (Real Estate Licensee Profile)
- , Spokane-Kootenai Real Estate Research Committee.

These projects are significant because they mesh with the Center's primary mission of service to Washington's real estate licensees. The Housing Finance Commission project builds upon the Center's role as a national leader in statistical analyses of housing affordability, and positions the Center for future work in other states. The Spokane project provides a continuing training ground for students conducting research into rental housing markets statewide – research which now includes Vancouver, Tri-Cities, Yakima, Wenatchee and Pullman, as well as Spokane. Since this research is methodologically consistent with research conducted by a Seattle-area consulting firm (Dupre + Scott), the Center anticipates developing statewide estimates of apartment vacancy and rent in the near future, and will extend this research into rental housing affordability during the year 2000.

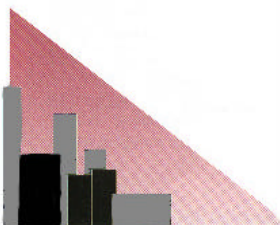
On other fronts, activity continues unabated. The Center's Web site continues to expand, and licensees and the public generally applaud its content. Over 20,000 hits have been recorded since July 1, 1997. **Washington State's Housing Market** is produced quarterly, and has a consistent base of subscribers. Data is posted to the Web site a couple of weeks after it is sent to subscribers. Columns are provided to all daily and weekly newspapers in the state at an average rate of two per month. Over 600 courses from 75 real estate education providers are listed in the clearinghouse, which is now accessible through the Web.



Any discussion of the year's activities must include discussion of the legislative effort to secure stable funding. In the face of 1998's veto, the spring and summer were periods of frustration. WCRER Trustees reaffirmed their belief that the legislative approach was correct. The Washington Association of REALTORS® reiterated its support of legislation to impose a \$10 fee on each new and renewal real estate license (including inactive licenses) in the state. During the autumn, meetings were held with senior representatives of the Governor's staff to identify an approach which would be satisfactory to all parties. The revised text did not specifically mention WCRER or WSU, but called for funding a center for real estate research, and instructed the Director, Department of Licensing to enter into a memorandum of understanding with an institution of higher learning to operate a center consistent with the legislation. The objectives of the center as outlined in the bill came directly from the bylaws of WCRER.

## WCRER Work Plan Status

- , **Resource Bibliography and Library.** Resources continue to grow, with materials coming from both the academic and professional communities. The Center is especially grateful for a major donation of research materials from Seafirst Bank.
- , **CenterView e newsletter.** Publication of **CenterView** was eliminated from the current workplan as a cost saving. However, an electronic version of CenterView was produced in summer 1998, and another is in the works. Electronic **CenterView** retains the formatting of the published document, with the newsletter available in Adobe Acrobat format.
- , **CenterView Brochures.** Brochures on Licensing Requirements, Property Condition Disclosure, Fair Housing and Residential Fuel Tanks continue to sell well. A new brochure on consumer expectations of real estate licensees is being added to the line.
- , **Real Estate News.** WCRER has prepared several articles for each issue of the Department of Licensing's periodic newsletter.
- , **Education Support.** The Center has continued to emphasize development of a database on continuing education courses offered throughout Washington. Database is available via phone calls to WCRER or through a searchable database on the Internet.
- , **Academic Contact.** Both Center staff and real estate faculty participated in the meetings of the Real Estate Center Directors and Chairholders Association and the American Real Estate Society (ARES). Don Epley edits the **Journal of Real Estate Practice and Education** for ARES and Glenn Crellin serves as Associate Executive Director of ARES. Marvin Wolverton is co-editor of a monograph on appraisal theory for ARES, and is vice chair of the **Appraisal Journal** editorial review committee for the Appraisal Institute.
- , **Presentations.** Outreach presentation, to both industry and community groups are a priority. Glenn Crellin made presentations to several legislative committees and participated in Windows on Washington, an affordable housing conference sponsored by the Housing Finance Commission and the Department of Community, Trade and Economic Development. Mr Crellin is also 1999 Chair of the Spokane-Kootenai Real Estate Research Committee. Don Epley has been active with the Pacific Real Estate Institute, the Appraisal Foundation and the Commercial/Investment Real Estate Institute. Marvin Wolverton is on the board of the Institute for Advanced Real Estate Studies, and is active with the Appraisal Institute at the local and national level.
- , **Housing Supply and Demand Study.** Housing market statistics for the state of Washington and each county are prepared in time for joint media coverage with the National Association of REALTORS® quarterly statistics.



## WCRER Trustees, May, 1999

Suzanne Britsch, RealVision Research, Kirkland, 6/30/01  
Lynne Chamberlain-Buchanan, Windermere Real Estate Walla Walla, 6/30/99  
Jeanne Grainger, Windermere Services, Seattle, 6/30/01  
Kim Herman, Washington State Housing Finance Commission, Seattle, 6/30/99  
Anne DeVoe Lawler, Jameson Babbitt Stites & Lombard, Seattle, 6/30/00  
Pat Lindemuth (Vice Chair), ERA Franchise Systems, Edmonds, 6/30/01  
Dwight J. McRae, Kennedy Associates, Seattle, 6/30/99  
Richard Muhlebach, TRF Management, Bellevue, 6/30/00  
James Nelsen, Windermere Real Estate, Federal Way, 6/30/00  
Richard Rollnick, Crown West Realty, Spokane, 6/30/00  
John E. Sharp, Sharp & Hatley, Spokane, 6/30/01  
Dale Strom, City of Spokane, Spokane, 6/30/01  
Chris Wronsky (Chair), Wronsky, Gibbons & Riely, Seattle, 6/30/99

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Department of Licensing: Syd Beckett, Olympia  
Real Estate Commission: Kent Jones, Moses Lake  
Washington Association of REALTORS®: Phil Souza, Bellevue  
WSU Real Estate Advisory Board: Brent Palmer, Seattle and Fritz Wolff, Spokane

## WSU Real Estate Program

Faculty, 1998-99

Donald Epley, Ph. D., Victor L. Lyon/CCIM Distinguished Professor of Real Estate  
Marvin Wolverton, Ph. D., Alvin J. Wolff Professor of Real Estate  
Ronald Throupe, Ph. D., assistant professor of real estate.

The real estate program currently has roughly 50 undergraduate majors, a number which has remained stable for 2-3 years. An inactive real estate MBA option exists.

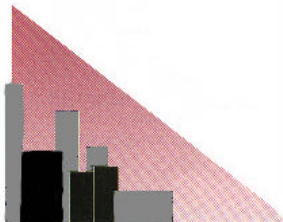
Washington State University remains the only 4-year real estate degree-granting program in the state of Washington, and the only active real estate program in the Pacific Northwest. This program requires 120 total semester hours. To complete the requirements for a major in finance with a specialization in real estate, students must take a core of general university requirements, plus the following courses:

### General Business

Business Law 210 (contracts, torts, agency)  
Decision Science 215 (statistics)  
Accounting 230/231 (principles)  
Economics 101/102 (principles)  
Management Information Systems 150 (technological skills)  
Management 301 (organizational behavior)  
Decision Science 340 (operations management)  
Management Information Systems 350 (business information systems)  
Finance 325 (principles of business finance)  
Marketing 360 (principles)  
Management 491 or 492 (business policy or small business policy)

### Real estate

Real Estate 305 (principles)  
Real Estate 405 (valuation/location theory)  
Real Estate 407 (investment)  
Real Estate 409 (finance)  
Business Law 414 (real estate law)



### Group A Lectures to the following

Architecture 330/331 (materials and construction)  
Business Law 410 (law and government regulation)  
Business Law 411 (law of business organizations)  
Real Estate 406 (brokerage management)  
Real Estate 408 (advanced appraisal)  
Environmental Science/Regional Planning 444 (environmental assessment)  
Finance 421 (financial institutions and markets)  
Finance 427 (investments and security analysis)  
Hotel/Restaurant Administration 381 (hospitality management)  
Insurance 322 (property and liability)  
Management 401 (leadership skills)  
Management 450 (personnel and human resources)

### Group B Lectures in any level course in the following

Business Law  
Construction Management  
Environmental Science/Regional Planning  
Finance  
Hotel/Restaurant Administration  
Insurance  
Real Estate

The real estate program began offering its courses via Washington Higher Education Telecommunications System (WHETS) to other WSU campuses during the 1996-97 academic year, with the objective of offering the real estate specialization to students on the branch campuses (Vancouver, Tri-Cities and Spokane) in the near future. Encouraging real estate study in Spokane is a priority under the agreement reached between WSU and Eastern Washington University during the last year.

## Faculty Research Initiatives

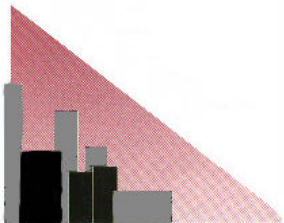
The Real Estate Program and the WCRER have continued to emphasize coordinated research agendas, building on areas of excellence reflected in the academic program and the research strengths of the faculty. Areas of excellence identified include:

- , Market Analysis and Valuation
- , Real Estate Finance
- , Real Estate Brokerage
- , Growth Management
- , Real Estate Education and Pedagogy.

During the last year the real estate program has strengthened ties to both the Commercial-Investment Real Estate Institute (CIREI) and the Appraisal Institute. Don Epley was named an honorary CCIM and has developed an ongoing research agenda with CIREI, beginning with a national survey research project on the need for commercial/investment real estate education. He received an additional grant from the CIREI Foundation to assist in the planning and design for commercial/investment real estate education into the millennium. Marvin Wolverton and students hired through WCRER assisted in conducting the survey and preparing the statistical analysis.

Similarly, Professor Wolverton has a consulting engagement to conduct a survey for the Appraisal Institute. Again, student help through WCRER was an important factor in facilitating the research.

In addition to consulting work, the faculty continue to be productive in terms of research accepted by peer-review journals. Accepted papers in the last year have been in the areas of appraisal, market analysis, shopping centers and real estate finance.



## WSU Real Estate Advisory Board, 1998-99

The Board advising the Real Estate Program suggests modification to the curriculum based on their experiences hiring program graduates, provides ideas and funding for research initiatives which meet the combined objectives of academic and applied research, assist in fund-raising and help place graduates and summer interns.

Ned Barnes, Witherspoon, Kelley, Davenport and Toole, Spokane  
Palmer Berge, Palmer Berge Company, Mercer Island  
Dave Black, Tomlinson Black Real Estate, Spokane  
John F. Bliss (Chair), UNICO Properties, Inc., Seattle  
Patty Dupre, Dupre + Scott, Seattle  
Jim Frank, Greenstone Corporation, Spokane  
Jim Harmon, Sabey Corporation, Seattle  
Mike Jones, Source Capital Corporation, Spokane  
Jay W. Levine, Sequim  
Jeffrey S. Lyon, Kidder, Matthews, Tacoma  
Robert S. Mitchell, Department of Licensing, Olympia  
Bill Mundy, Mundy and Associates, Seattle  
Kerry L. Nicholson, GE Capital Real Estate, Seattle  
Brent Palmer, Seafirst Bank, Seattle  
Mark Pinch, Tomlinson Black Real Estate, Spokane  
Tom Quigley, Kiemle and Hagood, Spokane  
C. Paul Sandifur, Metropolitan Mortgage and Securities, Spokane  
Dale Strom, City of Spokane, Spokane  
Gary P. Swartout, Bancorp Mortgage, Spokane  
Alan N. Tonnon, Attorney, Bellevue  
Don Walker, Cherry Creek Mortgage, Spokane  
Mark Weed, Fisher Properties, Seattle  
Alvin J. Wolff, Jr., Alvin J. Wolff, Inc., Spokane

